Petitioners Jerry Falwell and Jerry Falwell Ministries respectfully petition for a writ of certiorari to review the judgment of the United States Court of Appeals for the Fourth Circuit in this case.

OPINIONS BELOW

The opinion of the Fourth Circuit is reported at 420 F.3d 309 and is reproduced at page 1a of the appendix to this petition ("App."). The order of that court denying rehearing and rehearing *en banc* is reproduced at App. 60a. The opinion of the United States District Court for the Eastern District of Virginia is reported at 360 F. Supp. 2d 768 and is reproduced at App. 27a. The determination in mandatory arbitration is reported on the Internet at *http://www.arb-forum.com/domains/decisions/198936.htm* and is reproduced at App. 40a.

STATEMENT OF JURISDICTION

The judgment of the Fourth Circuit was entered on August 24, 2005. On November 8, 2005 the Fourth Circuit denied a timely filed petition for rehearing or rehearing *en banc*. This Court has jurisdiction pursuant to 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS

Pertinent statutes are the Federal Trademark (Lanham) Act, 15 U.S.C. §§ 1114 and 1125(a) and the 1999 amendment thereto known as the Anticybersquatting Consumer Protection Act, 15 U.S.C. § 1125(d). They are set forth in the appendix to this petition App. 62a.

INTRODUCTION

The holdings of the Fourth Circuit in this case are truly extraordinary and significantly diminish the value of trademarks as intellectual property. While purporting to sidestep the commercial/noncommercial dichotomy in analyzing the Lanham Act, the Fourth Circuit essentially exempted noncommercial trademark infringement from liability by declaring that its likelihood of confusion requirement s applicable only where the accused infringer profits financially. This it does after becoming the first circuit to reject initial interest confusion by characterizing it as a

> relatively new and sporadically applied doctrine hold[ing] that "the Lanham Act forbids a competitor from luring potential customers away from a producer by initially passing off its goods as those of the producer's, even if confusion as to the source of the goods is dispelled by the time any sales are consummated."

App. 12a. This rejection it accomplishes by insisting that the label (domain name) misuse can only be considered in conjunction with the service (website) it describes. Finally, it compounds those errors by grafting them into the new cybersquatting addition to the Lanham Act such that any noncommercial use of a trademark in the underlying website insulates infringement in the domain name—thereby writing into the law a noncommercial safe harbor when Congress has otherwise provided a safe harbor but with different elements.

STATEMENT OF THE CASE

Dr. Jerry Falwell is the "nationally known minister who has been active as a commentator on politics and public affairs" who was before this Court in *Hustler Magazine v. Falwell*, 485 U.S. 46, 47 (1988). He holds the common law trademarks "Jerry Falwell"[2] and "Falwell," and the registered trademark "Listen America with Jerry Falwell." He and his ministry, Jerry Falwell Ministries, (collectively "Falwell") can be found online at their website *www.falwell.com.*

Christopher Lamparello registered the domain name "www.fallwell.com" in 1999 which opens to his website. How Lamparello's website and its infringing domain name came about is described on his website, which contains: "An Interview with the creator of *www.fallwell.com*!" In that segment Lamparello is asked "why did you create this website?" to which he responds, *inter alia*, he was watching *Crossfire* on television and

> the issue was whether or not gay people should be allowed to serve openly in the Boy Scouts. Jerry Falwell represented the point of view that they should not. After a few minutes of debate, Falwell said that gay people should not be allowed to serve because ". . . no one knows what would happen when the lights went down." I just sat there and froze for a minute. I think a lot of my frustration about being lied about by people like Falwell was just too strong to keep in anymore. I was furious, because he was attacking me, as a gay man, by associating me with

2. Federal registration of the trademark JERRY FALWELL was granted January 10, 2006 by the United States Patent and Trademark Office. It is registration number 3039870.

> pedophiles. . . . These were things that I had been holding in for a long time, and it was an incredible experience to be able to put it on the web.

In discovery, Lamparello conceded the domain name "fallwell.com was the closest he could get to falwell.com." The most common misspelling of Dr. Falwell's last name is with the extra letter "l". The Lamparello website is in evidence; the Falwell website is not.[3]

The Lamparello website's home page, as it was in evidence before the Fourth Circuit, is more or less a table of contents, beginning with a piece on How to Get Saved, followed by Lawsuit Information Here (referring to the instant litigation), a commentary on Dr. Falwell's views on homosexuality, analysis of scriptures, alleged fundamentalists' selective quotation of the Bible, alleged breach of the Ninth Commandment by Dr. Falwell, questioning of whether other Christians share Dr. Falwell's views on homosexuality, what it is like to be gay or lesbian, four different tracts on related subjects (that have nothing to do with Dr. Falwell or his views), the "truth" about Sodom and Gomorrah, three quotations, links to websites of the American Psychological Association, American Medical Association, American Psychological Association, American Psychoanalytic Association and the American Academy of Pediatricians, an e-mail contact address and ending with a link to the same piece on How To Get Saved. There are disclaimers at the top and bottom of the Lamparello home page.

Other than (a) as his website title, (b) in referring to the inception of his website (noted above) and (c) for e-mail contact

3. Buried in footnote 9 in a June 4, 2004 filing in the District Court, Lamparello did submit for the record the home page of Dr. Falwell's website from June 2003.

purposes, Lamparello spells Dr. Falwell's last name correctly—as in when he is criticizing or commenting. Falwell seeks only cessation of the variation of his mark as Lamparello's domain name; he has never challenged Lamparello's use of his mark (however spelled) for purposes of criticism or comment on the Lamparello website itself.

At one point, the Lamparello website included a link to the Amazon.com webpage for purchase of a book that offered interpretations of the Bible that Lamparello favored—which led the District Court to a finding that the website was commercial. But the parties agree that Lamparello has never sold goods or services on his website.

Reverend Falwell sent Lamparello letters in October 2001 and June 2003 demanding that he cease and desist from using www.fallwell.com or any variation of Reverend Falwell's name as a domain name. Upon his refusal to do so, Falwell filed for mandatory arbitration and prevailed[4] with the arbitrators ruling:

> The majority of the Panel finds that Respondent has engaged in typosquatting by registering and using the <fallwell.com> domain name to redirect Internet users to Respondent's website by taking advantage of Internet users who commit common typographical errors when they attempt to access Complainant's <falwell.com> website. Typosquatting is evidence of bad faith registration and use pursuant to Policy ¶ 4(a)(iii). *See Nat'l Ass'n of Prof'l Baseball Leagues, Inc. v. Zuccarini*, D2002-1011 (WIPO Jan. 21, 2003) ("Typosquatting . . . is the intentional

4. Pursuant to the majority opinion of a three-member panel in *Falwell v. Lamparello International*, FA0310000198936 (NAF 2003) JA 45, posted online at: *http://www.arb-forum.com/domains/decisions/198936.htm*.

> misspelling of words with intent to intercept and siphon off traffic from its intended destination, by preying on Internauts who make common typing errors. Typosquatting is inherently parasitic and of itself evidence of bad faith"); *see also Black & Decker Corp. v. Khan*, FA 137223 (Nat. Arb. Forum Feb. 3, 2003) (finding the <wwwdewalt.com> domain name was registered to "ensnare those individuals who forget to type the period after the "www" portion of [a] web-address," evidence that the domain name was registered and used in bad faith). *Id.*, App. 55a.

In the face of the foregoing and to stave off losing the domain name at issue, fallwell.com, Lamparello filed this action against Dr. Falwell and his ministry seeking a declaratory judgment of noninfringement. Falwell counterclaimed, alleging, *inter alia*, trademark infringement under 15 U.S.C. § 1114 (2000), false designation of origin under 15 U.S.C. § 1125(a), and cybersquatting under 15 U.S.C. § 1125(d).

The District Court held for Falwell on all counts, finding both likelihood of confusion and actual confusion. The Fourth Circuit reversed as to conventional Lanham Act jurisprudence, denigrating the actual confusion and holding that likelihood of confusion occurring when an Internet user mistakenly assumes that use of a domain name is an indication of the source is not, in and of itself, likelihood of confusion made actionable by the Lanham Act; and that even if it were, where the otherwise infringing party's motive is not to profit financially, such is not actionable. In its rush to protect free speech—which is not challenged by Falwell—it further reversed as to the ACPA, effectively holding that noncommercial use of the mark on the website itself—one of nine statutory factors to be weighed—is the overarching consideration, thereby foreclosing infringement liability.

REASONS FOR GRANTING THE PETITION

A. There is a split between (i) the Fourth Circuit which now rejects *Initial Interest Confusion* and (ii) the Second, Third, Fifth, Sixth, Seventh and Ninth Circuit Courts of Appeals and the Trademark Trial and Appeal Board Which Have Adopted *Initial Interest Confusion.*

There is no truth to the Fourth Circuit's denigration of initial interest confusion as a doctrine that is "relatively new and sporadically applied." App. 12a. As the Fifth Circuit observed: "Initial-interest confusion gives the junior user credibility during the early stages of a transaction and can possibly bar the senior user from consideration by the consumer once the confusion is dissipated." *Elvis Presley Enterprises Inc. v. Capece*, 141 F.3d 188, 204 (5th Cir. 1998) ("Once in the door, the confusion has succeeded because some patrons may stay, despite realizing that the bar has no relationship with [Elvis Pressley Enterprises]." *Id.*) The Ninth Circuit has also approved the application of the initial interest test to conflicting domain names where the infringed name is famous, as in the instant case:

> If an apple grower adopts a famous trademark, like *www.DRSEUSS.com*, as a domain name, initial interest confusion probably results, even if that business's goods differ significantly from those of Dr. Seuss. Marks of renown, like DR. SEUSS, describe the source of only one company's products, and the apple grower's adoption of the www.DRSEUSS.com domain name inevitably trades on the favorable cachet associated with that company, its works, and its reputation. Actionable initial interest confusion probably results even if every consumer realizes that DRSEUSS.com is owned by an apple grower, and no consumer ever

> consummates a Winesap, Delicious, or Granny Smith purchase thinking that Dr. Seuss grows apples or endorses, sponsors, or licenses his name to the apple grower. *Interstellar Starship Services, Ltd. V. EPIX, Inc.*, 304 F.3d 936, 943-44 (9th Cir. 2002).

There is, of course, only one Dr. Seuss. Similarly, there is only one Dr. Falwell. That the former is fictional and the latter real is of no moment.

The Sixth Circuit has weighed in:

> A disclaimer disavowing affiliation with the trademark owner read by a consumer after reaching the web site comes too late. This "initial interest confusion" is recognized as an infringement under the Lanham Act. *See Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 464 (7th Cir.2000) ("Such confusion, which is actionable under the Lanham Act, occurs when a consumer is lured to a product by its similarity to a known mark, even though the consumer realizes the true identity and origin of the product before consummating a purchase. *PACCAR, Inc. v. TeleScan Technologies, L.L.C.*, 319 F.3d 243, 253 (6th Cir. 2003).

Initial interest confusion caused by the domain name will lure web users to the defendant's web site. Even though when the user accesses the defendant's site he or she finds that it is not the plaintiff's site, the defendant has succeeded in luring users to his site, which often is the defendant's main purpose.

Where the *Lamparello* Court went off base was in its failure to recognize, as the Trademark Trial and Appeals Board did, that:

> [T]he Trademark Act does *not make a distinction* between confusion arising at an *early stage* in the purchasing process and confusion arising at a *later stage*. Registration should be denied under the Trademark Act when there exists likelihood of confusion, no matter where it occurs in the marketing or sale of similar goods under similar marks. It is logical to so find, because confusion of a potential purchaser early in the purchasing decision is just as likely to cause injury to an opposer as confusion that may arise later in the purchasing decision.[5]

The Southern District of Texas reasoned similarly:

> the Lanham Act is violated whenever there is confusion in the buying process, *Marathon Mfg. Co. v. Enerlite Products Corp., 767 F.2d 214, 220-21 (5th Cir.1985); Joy Mfg. Co. v. CGM Valve & Gauge Co., Inc., 730 F.Supp. 1387, 1394 (S.D.Tex.1989).* This is still true even if the purchaser's confusion is later dispelled through use or familiarization with the product. * * * *See Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 259 (2d Cir.1987)* (likelihood that defendant would gain "crucial credibility" during initial phase of purchase justified finding of infringement). *Pebble Beach Co. v. Tour*

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5. *HRL Associates, Inc. v. Weiss Associates, Inc.*, 1989 WL 274397, 12 U.S.P.Q. 1819 (TTAB 1989), *aff'd on other grounds*, 902 F.2d 1546 (Fed. Cir. 1990)(emphasis added)(*Inter partes* proceeding relating to registration pursuant to Section 2(d)).

18 I, Ltd., 942 F. Supp. 1513, 1552 (S.D. Tex. 1996), *judgment aff'd as modified*, 155 F.3d 526 (5th Cir. 1998).

The litany of Circuits embracing initial interest confusion is impressive:

Second Circuit: *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d at 260 ("Such initial confusion works a sufficient trademark injury." In this case the likelihood that an oil trader might listen to a **cold call** from "Pegasus Petroleum," mistakenly thinking it was related to Mobil Oil, is a kind of "confusion" sufficient for infringement even though the oil trader would soon be unconfused and not actually enter into a business transaction with Pegasus in a confused state of mind.).

Third Circuit: *SecuraComm Consulting, Inc. v. SecuraCom Inc.*, 984 F. Supp. 286, 299 (D.N.J. 1997), *reversed on other grounds*, 166 F.3d 182, 186 (3d Cir. 1999), appeal after remand, 224 F.3d 273 (3d Cir. 2000) (finding that the initial interest confusion of customers of large scale security systems defeats the sophisticated customer defense); *Checkpoint Systems, Inc. v. Check Point Software Technologies, Inc.*, 269 F.3d 270, 294 (3d Cir. 2001) ("We join these circuits in holding that initial interest confusion is probative of a Lanham Act violation." But no likely confusion was proven on the facts.)

Fifth Circuit: *Pebble Beach Co. v. Tour 18 I, Ltd.*, 942 F. Supp. at 1552 (Golfers are likely to be confused by defendant's advertisements and that confusion cannot be dispelled by full disclosure in disclaimers posted at the tee-off spot at defendant's golf course.)

Seventh Circuit: *Syndicate Sales, Inc. v. Hampshire Paper Corp.*, 192 F.3d 633, 52 U.S.P.Q.2d 1035 (7th Cir. 1999), on

remand to, 2000 WL 1428665 (S.D. Ind. 2000); *Promatek Industries, Ltd. v. Equitrac Corp.*, 300 F.3d 808, 812 (7th Cir. 2002), as amended, (Oct. 18, 2002) ("Initial interest confusion, which is actionable under the Lanham Act, occurs when a customer is lured to a product by the similarity of the mark, even if the customer realizes the true source of the goods before the sale is consummated.")

Ninth Circuit: *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1405 (9th Cir. 1997), *cert. dismissed*, 521 U.S. 1146 (1997) ("[T]he use of the Cat's stove-pipe hat or the confusingly similar title to capture initial consumer attention, even though no actual sale is finally completed as a result of the confusion, may be still an infringement."); *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d at 1063-64 (**adopting initial interest confusion test and listing cases supporting it**); *Playboy Enterprises, Inc. v. Netscape Communications Corp.*, 354 F.3d 1020 (9th Cir. 2004) (applying initial interest confusion theory to search engine banner advertising).

As noted in the cases set out above and following, as a result of exposure to a confusingly similar mark, one might listen to a cold call when otherwise one might not, or, one might not investigate a new company before initially dealing with it.[6]

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6. *Checkpoint Systems, Inc. v. Check Point Software Technologies, Inc.*, 269 F.3d 270, 294 (3d Cir. 2001) (noting 1962 amendment of Lanham Act); *Eli Lilly v. Natural Answers*, 233 F.3d 456, 464-65 (7th Cir. 2000); *Rust Env't v. Teunissen*, 131 F.3d 1210, 1217 (7th Cir. 1997); *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d at 259 ("initial interest" confusion); *Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons*, 523 F.2d 1331, 1342, (2d Cir. 1975) (defendant's name "would attract potential customers based on the reputation built up by [plaintiff]"); *Television Entertainment Network, Inc. v.*

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The infringing mark is the bait for a switch, or the foot in the door to gain fraudulent entry.[7] The damage is done by initial

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Entertainment Network, Inc., 630 F. Supp. 244, 247 ("Deals are cut over the telephone and through signatures on form contracts. There need be no prolonged negotiations, no personal visits, no personal services. Even if the confusion is cured at some intermediate point before the deal is completed, the initial confusion may be damaging and wrongful"); *Koppers Co. v. Krupp-Koppers GmbH*, 517 F. Supp. 836, 843 (W.D. Pa. 1981) ("The infringement section of the Lanham Act formerly required that there be a likelihood of confusion of "purchasers as to the source of origin of such goods or services" (formerly codified at 15 U.S.C.A. § 1114(1)). The 1962 amendment deleting this language shows a clear congressional intent to "outlaw the use of trademarks which are likely to cause confusion, mistake, or deception of any kind, not merely of purchasers nor simply as to source of origin." Syntex Laboratories, Inc. v. Norwich Parmacal Co., 437 F.2d 566, 568 (2nd Cir. 1971). Clearly the likelihood of confusion cannot be considered in a vacuum, but must be determined with respect to certain persons. The amendment shows congressional intent that the persons should not be restricted to purchasers. The amendment also shows such intent that the nature of the confusion should not be restricted to the source of origin of goods or services. Thus, this Court infers that it must broadly define the nature of the forbidden confusion and the class of people whose confusion is forbidden."); *Blaw-Knox Co. v. Siegerist*, 300 F. Supp. 507, 513 (E.D. Mo. 1968) (since infringing name "of itself creates an opening or opportunity not otherwise available enabling defendants to interest prospective customers in their own equipment, defendants obtained an unfair competitive advantage . . . the damaging effect of which lasts long after the initial confusion has disappeared"), *affirmed in part sub nom. Siegerist v. Blaw-Knox Co.*, 414 F.2d 375 (8th Cir. 1969); *Source Perrier S.A. v. Waters of Saratoga Springs, Inc.*, 217 U.S.P.Q. 617, 620 (S.D.N.Y. 1982) ("The similarity of the bottle designs is likely to 'attract' prospective purchasers to Saratoga Springs' bottle on the basis of the recognition of the Perrier design").

7. *Dorr-Oliver, Inc. v. Fluid-Quip, Inc.*, 94 F.3d 376, 382 (7th Cir. 1996) ("bait and switch" "effectively allowing the competitor to get its

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confusing similarity even though closer examination and comparison would reveal differences in the marks or other information to dispel confusion.[8] "What is important is not the duration of the confusion, it is the misappropriation of [plaintiff's] goodwill. [Defendant] cannot unring the bell."[9] Lured into an infringer's store by a confusing mark, consumers may stay to do business as a convenience, even though they realize their mistake,[10] or they may give up their search for the trademark owner in frustration.[11] The same theory is true for websites when one uses another's mark in a metatag,[12] a deceptive practice "much like posting a sign with another's

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foot in the door by confusing consumers"); *Inc. Publishing Corp. v. Manhattan Magazine, Inc.*, 616 F. Supp. 370, 387 (S.D.N.Y. 1985) ("Of course, the truth will emerge soon enough during the interview; but the salesman has gotten his foot in the door, and is thus able to make his spiel"), *affirmed without opinion*, 788 F.2d 3 (2d Cir. 1986).

8. *Chevron Chemical Co. v. Voluntary Purchasing Groups*, 659 F.2d 695, 704, 212 U.S.P.Q. 904, 912-13 (5th Cir. 1981); *Source Perrier S.A. v. Waters of Saratoga Springs, Inc.*, 217 U.S.P.Q. at 620 (liability even if "a consumer were able to eventually conclude that the parties were not related").

9. *Promatek Industries, Ltd. v. Equitrac Corp.*, 300 F.3d at 812-13.

10. *Elvis Presley Enterprises, Inc. v. Capece*, 141 F.3d at 204; *Blockbuster Entertainment Group v. Laylco, Inc.*, 869 F. Supp. 505 513 and n.2 (E.D. Mich. 1994).

11. *People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d 359, 365-66 (4th Cir. 2001).

12. *Promatek Industries, Ltd. v. Equitrac Corp.*, 300 F.3d at 813.

trademark in front of one's door."[13] Or worse, in view of the ease of entering a website.[14] The law requires only that some form of confusion be proved likely, not that it be shown to persist and to cause lost sales.[15]

Professor McCarthy draws an analogy to a job-seeker who misrepresents educational background on a resume, obtains an interview and at the interview explains that the inflated resume claim is a mistake or a "typo." The misrepresentation has enabled the job-seeker to obtain a coveted interview, a clear advantage over others with the same background who honestly stated their educational achievements on their resumes. In such a situation, it is not possible to say that the misrepresentation caused no competitive damage. 3 McCarthy on Trademarks and Unfair Competition § 23:6 (4th ed. 2005).

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13. *Brookfield Communications, Inc. v. West Coast Entertainment Corp*, 174 F.3d at 1062-65; Maynard, *Initial Interest Confusion Doctrine and Trademark Infringement on the Internet*, 57 WASH. & LEE L. REV. 1303 (2002); Posner, *Manipulative Metatagging, Search Engine Baiting, and Initial Interest Confusion*, 33 COLUM. J.L. & SOC. PROBS. 439 (2000).

14. *PACCAR v. TeleScan*, 319 F.3d 243, 252-53 (6th Cir. 2003), quoting *Brookfield Communications, Inc. v. West Coast Entertainment Corp*, 174 F.3d at 1057 ("Web surfers are more likely to be confused as to ownership of a website than traditional patrons of a brick-and-mortar store would be of a store's ownership.").

15. *Dreyfus Fund, Inc. v. Royal Bank of Can.*, 525 F. Supp. 1108, 1122 (S.D.N.Y. 1981); *Forum Corp. of N. Am. v. Forum, Ltd.*, 903 F.2d 434, 442 n.2 (7th Cir. 1990); *Downtowner/Passport Int'l Hotel Corp. v. Norlew, Inc.*, 841 F.2d 214, 219 (8th Cir. 1988); *United States Olympic Comm. v. Int'l Fed'n of Bodybuilders*, 219 U.S.P.Q. 353, 362 (D.D.C. 1982) (buyer not obliged to investigate any possible connection between the parties).

Why the Fourth Circuit would attempt to swim against this tide is mystifying.

B. There is a Split Between (i) the Fourth Circuit and (ii) the Second and Ninth Circuits as to Whether the Lanham Act is Content Neutral as Between Commercial Versus Noncommercial Infringement.

Out of the blue, the *Lamparello* Court divined a "profiting financially" test, or element, for application of the initial interest confusion doctrine, were it to be applied:

> The few appellate courts that have followed the Ninth Circuit and imposed liability under this [initial interest confusion] theory for using marks on the Internet have done so only in cases involving a factor utterly absent here-one business's use of another's mark for its own financial gain. . . .
>
> Profiting financially from initial interest confusion is thus a key element for imposition of liability under this theory. App. 15a.

Congress has been quite specific as to where it is applicable or significant that the attacked speech is commercial or noncommercial. Otherwise, the Lanham Act applies equally. There is no commercial/noncommercial distinction made as to the likelihood of confusion test.

In the Lanham Act there are instances where there is to be drawn a distinction between commercial versus noncommercial use. Set out below are the instances in the Lanham Act, as amended, where a distinction is drawn *by Congress.*

(IV) the person's **bona fide noncommercial or fair use** of the mark in a site accessible under the domain name;

* * *

(ii) Bad faith intent described under subparagraph (A) shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful. (Emphases added).

Evidently oblivious to the 1962 amendment to the Lanham Act that deleted language suggesting the necessity of purchase in connection with likelihood of confusion, the *Lamparello* Court's "[p]rofiting financially" holding is otherwise inexplicable. That Mr. Lamparello does not sell a product or service no more entitles him to appropriate Dr. Falwell's trademark, protected by law, than does his theory of noncommercial speech exemption. Yet the Circuit's decision works the same end, notwithstanding that it is settled law that *false, deceptive or misleading* noncommercial speech is *not* protected by the First Amendment. Only "non-commercial, non-deceptive speech [is] protected by the First Amendment. . . ." *United Seniors Ass'n v. Social Security Administration*, 423 F.3d 397, 407 (4th Cir. 2005). "A law cannot be regarded as protecting an interest of the highest order, and thus as justifying a restriction upon *truthful* speech, when it leaves appreciable damage to that supposedly vital interest unprohibited." *Republican Party of Minnesota v. White*, 536 U.S. 765, 780 (2002)(emphasis added). "The purpose of the [narrow tailoring] test is to ensure that speech is restricted no further than necessary to achieve the goal, for it is important to assure that *legitimate* speech is not chilled or punished." *Ashcroft v. ACLU*, 542 U.S. 656, 124 S. Ct. 2783, 2791 (2004) (emphasis added). When Lamparello uses Dr. Falwell's mark as the Lamparello domain name, *www.fallwell.com*, he is using it as a source indicator, a/k/a false designator of origin, as distinguished from when he uses it in the content of his website for criticism—which Dr. Falwell has never challenged. As such it is false, misleading and deceptive, whether or not Mr. Lamparello tries to sell a product or service. Indeed, the Sixth Circuit quotes the Fourth Circuit's *PETA* opinion for this very proposition:

> . . . the district court joined many other courts in stating the obvious: words in many domain names can and do communicate information as to the source or sponsor of the web site. *See, e.g., People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d 359, 366 (4th Cir.2001) ("The domain name peta.org simply copies PETA's Mark, conveying the message that it is related to PETA."); *Brookfield Communications*, 174 F.3d at 1055, 1066 ("The domain name is more than a mere address: like trademarks, second-level domain names communicate information as to source. . . . When a firm uses a competitor's trademark in the domain name of its web site, users are likely to be confused as to its source or sponsorship."); *Panavision Int'l, L.P. v. Toeppen*, 141 F.3d 1316, 1327 (9th Cir.1998) ("We reject [the] premise that a domain name is nothing more than an address. A significant purpose of a domain name is to identify the entity that owns the web site.") *PACCAR [Inc. v. Telescan Technologies, LLC]*, 319 F.3d at 250.

We think the Third Circuit has stated it well when it analyzed the 1962 amendment to the Lanham Act. Thus, in *Checkpoint Systems, Inc. v. Check Point Software Technologies, Inc.*, the court said:

> Congress recognized the relevance of initial interest confusion and its effect on a company's goodwill when it amended the Lanham Act in 1962. In its original form, the Lanham Act only applied where the use of similar marks was "likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods or services."

> *Esercizio v. Roberts*, 944 F.2d 1235, 1245 (6th Cir.1991) (quoting 1946 Lanham Act) (emphasis added). In 1962 Congress deleted the term "purchasers," affording Lanham Act protection where a mark is "likely to cause confusion or mistake or to deceive." *Id.* Several courts have found the amendment expanded the reach of the Lanham Act beyond mere purchasers to recognize pre-sale confusion as well as post-sale confusion. *See, e.g., id.* ("Since Congress intended to protect the reputation of the manufacturer as well as to protect purchasers, the Act's protection is not limited to confusion at the point of sale."); *Koppers Co. v. Krupp-Koppers GmbH*, 517 F.Supp. 836, 843-44 (W.D.Pa.1981) (holding Congress intended to broaden the scope of protections with the 1962 Amendment to the Lanham Act); see *also* 3 *McCarthy on Trademarks & Unfair Competition*, § 23.7 ("In 1962, Congress struck out language in the Lanham Act which required confusion, mistake or deception of 'purchasers as to the source of origin of such goods and services.' Several courts have noted this expansion of the test of infringement and held that it supports a finding of infringement when even non-purchasers are deceived.") We agree with the view that Congress's amendment of the Lanham Act in 1962 expanded trademark protection to include instances in which a mark creates initial interest confusion. 269 F.3d at 295.

Certainly it is true that most trademark cases involve commercial applications and most commercial applications involve situations where one product's mark infringes on another's; but *United We Stand America, Inc. v. United We Stand America New*

York, Inc.—the Second Circuit's seminal noncommercial trademark infringement case—makes clear that trademarks infringed noncommercially are just as much infringed as those infringed commercially. 128 F.3d 86, 90-92 (2d Cir.1997). The *Lamparello* Court's distinction is completely at odds with *United We Stand America* and with Justice Powell's opinion for the Court in *San Francisco Arts & Athletics*, 483 U.S. 522 (1987):

> The SFAA claims a superior right to the use of the word "Olympic" because it is a nonprofit corporation and its athletic event was not organized for the primary purpose of commercial gain. But when the question is the scope of a legitimate property right in a word, the SFAA's distinction is inapposite. As this Court has noted in the analogous context of "fair use" under the Copyright Act: "The crux of the profit/nonprofit distinction is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the [protected] material without paying the customary price." *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 562, 105 S.Ct. 2218, 2231, 85 L.Ed.2d 588 (1985). Here, the SFAA's proposed use of the word "Olympic" was a clear attempt to exploit the imagery and goodwill created by the USOC. 483 U.S. at 541 n.19.

Just as clear is Lamparello's exploitation of the imagery and good will created by Dr. Falwell—and Lamparello has admitted as much.

Disturbingly, the *Lamparello* Court's insertion of a "profiting financially" element is not restricted to domain name jurisprudence; it is applicable across the board. Recently there

has been developed by the Massachusetts Institute of Technology a $100 wind-up computer for prospective distribution to unelectrified villages in the Third World.[16] Were a well intentioned philanthropist to acquire thousands of these units for free distribution to underprivileged teenagers in Appalachia, most of which is located within the Fourth Circuit, the *Lamparello* decision would permit him or her to affix Dell or Hewlett-Packard labels to the wind-ups with impunity. Because in the Fourth Circuit any trademark is now subject to infringement if done for no financial profit, *i.e.*, noncommercially, the value of all trademarks is diminished.

C. The "Bona Fide Noncommercial Use" Element in the Anticybersquatting Consumer Protection Act (ACPA) Is But One of Nine Non-exclusive Factors to Consider in Assessing Infringement Liability; Is Significantly Narrower than As Interpreted by the *Lamparello* Court and In Any Event Was Not Meant as the Functional Equivalent of a Safe Harbor Inasmuch as Congress Provided a Different Safe Harbor—This Court Having Never Addressed ACPA Should Clarify the Reach of This New Statute

1. *Bad Faith Intent to Profit*

In 1999 when Congress adopted the Anticybersquatting Consumer Protection Act, 15 U.S.C. 1125(d) (ACPA) the principal domain name abuse was registering well known trademarks belonging to others with the expectation of selling them—invaluable Internet addresses—to the rightful trademark owners at exorbitant prices. ACPA has effectively stopped *that* abuse, but the Fourth Circuit would have it that noncommercial

16. *MIT Is Crafting Cheap—But Invaluable—Laptops; Kids in Poor Nations Would Benefit*, Washington Post, A03 November 16, 2005.

use of an infringing mark in one's website—alone—insulates the infringer from ACPA liability. App. 26a. The Circuit misapprehends the purpose of ACPA ignoring that "in its report on the ACPA, the Senate Judiciary Committee distilled the crucial elements of bad faith [necessary to liability under ACPA] to mean an 'intent to trade on the goodwill of another's mark.' S.Rep. No. 106-140 at 9." *Lucas Nursery and Landscaping, Inc. v. Grosse*, 359 F.3d 806, 810 (6th Cir. 2004). Notwithstanding the Fourth Circuit's citation of *Lucas*, it fails to comprehend that the *Lucas* Court correctly noted that ACPA's Senate Report describes cybersquatters as those who:

> (3) register well-known marks to prey on consumer confusion by misusing the domain name to divert customers from the mark owner's site to the cybersquatter's own site; (4) target distinctive marks to defraud consumers, including to engage in counterfeiting activities. S.Rep. No. 106-140 at 5-6; 359 F.3d at 809.

Moreover:

> The purpose of the bill is to protect consumers and American businesses, to promote the growth of online commerce, and to provide clarity in the law for trademark owners by prohibiting the bad-faith and abusive registration of distinctive marks as Internet domain names with the intent to profit from the goodwill associated with such marks—practice commonly referred to as "cybersquatting." S.Rep. No. 106-140 at 4.

While the *Lamparello* Court claims to have followed the Sixth Circuit's *Lucas* decision and the Fifth Circuit's *TMI, Inc. v. Maxwell*, 368 F.3d 433 (5th Cir. 2004), App. 25a-26a, it follows

Commercial or Noncommercial Distinctions in the Lanham Act			
Name	Statute	Year	Text Distinction
Section 32	15 U.S.C. 1114	1946	None
Section 43	15 U.S.C. 1125	1946	None
Section 32(1)	15 U.S.C. 1114	1962	"Deletion of underscored words from clause (a): 'on or in connection with which such use is likely to cause confusion or mistake or to deceive - *purchasers as to the source or origin of such goods or services*'.". Senate Report 2107, 1962 USCCS 2844
Trademark Law Revision Act	15 U.S.C. 1125(a)(2)	1988	"in **commercial** advertising or promotion . . ."
Federal Trademark	15 U.S.C. 1125 (c)	1995	(a) REMEDIES.—Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended by adding at the end the following new subsection:"(c)(1) The owner of a famous

mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction against another person's **commercial use in commerce** of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark, and to obtain such other relief as is provided in this subsection. In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—

* * *

"(4) The following shall not be actionable under this section:"(A) Fair use of a famous mark by another person in **comparative commercial** advertising or promotion to identify the competing goods or services of the owner of the famous mark."(B) **Noncommercial use of a mark**."(C) All forms of news reporting and news commentary." (Emphases added).

Anticybersquatting Consumer Protection Act	15 U.S.C. 1125(d)	1999	(d) Cyberpiracy prevention **(1)(A)** A person shall be liable in a civil action by the owner of a mark, including a personal name which is protected as a mark under this section, if, without regard to the goods or services of the parties, that person **(i)** has a **bad faith intent to profit** from that mark, including a personal name which is protected as a mark under this section; and**(ii)** registers, traffics in, or uses a domain name that— * * * **(B)(i)** In determining whether a person has a **bad faith intent** described under subparagraph (a), a court may consider factors such as, but not limited to * * *

neither. In the determination of presence or absence of bad faith as a statutory predicate to liability, both the Fifth and Sixth Circuits properly evaluated all elements in reaching their decisions. Bad faith is a statutory requirement for liability under ACPA and in determining whether it is present, Congress identified nine nonexclusive, nonexhaustive factors courts should examine. As noted in the Table above, ACPA provides:

> **(1)(A)** A person shall be liable in a civil action by the owner of a mark, including a personal name which is protected as a mark under this section, if, without regard to the goods or services of the parties, that person **(i)** has a **bad faith intent to profit** from that mark, including a personal name which is protected as a mark under this section; and **(ii)** registers, traffics in, or uses a domain name that—**(I)** in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark * * * **(B)(i)** In determining whether a person has a **bad faith intent** described under subparagraph (a), a court may consider factors such as, but not limited to * * * **(IV)** the person's **bona fide noncommercial or fair use** of the mark in a site accessible under the domain name * * * [Emphases supplied]

The *Lamparello* Court misquotes the supporting Senate Report 106-140 as follows: "The Act was not intended to prevent 'noncommercial uses of a mark, such as for comment, criticism, parody, news reporting, etc.,' and thus they 'are beyond the scope' of the ACPA. *Id.* at *9." What the Senate really said was:

> Each of these factors reflect [sic] indicators that, in practice, commonly suggest bad-faith intent or a lack

> thereof in cybersquatting cases. The Committee understands that the presence or absence of any of these factors may not be determinative. For example, while noncommercial uses of a mark, such as for comment, criticism, parody, news reporting, etc. * * *, are beyond the scope of the bill's prohibitions, *the fact that a person uses the domain name at issue in connection with a site that makes a noncommercial or fair use of the mark does not necessarily mean that the domain name registrant lacked bad faith.* To recognize such an exemption would eviscerate the protections of the bill by suggesting a blueprint for cybersquatters who would simply create criticism sites in order to immunize themselves from liability despite their bad-faith intentions. * * * Similar caveats can be made for each of the eight balancing factors, which is why the list of factors is nonexclusive and nonexhaustive. Courts must ultimately weigh the facts of each case and make a determination based on those facts whether or not the defendant registered, trafficked in, or used the domain name with bad-faith intent to profit from the goodwill of the mark of another. Emphasis added.

The *Lamparello* Court sets out all nine of factors, verbatim. App. 19a-21a. While the opinion below pays lip service to some of the other factors, it is Factor IV that is the 800 pound gorilla. First, the opinion omitted all discussion of any of the other eight factors that favored Falwell; and second it misread Factor IV.

It is disconcerting, to say the least, to see the Circuit disregard all of the factors on which Falwell would win in a balancing test. Thus, there is no discussion of Factors, I, II, III,

V, VII or IX, none of which did Mr. Lamparello have any claim to and all of which favored Falwell. Contrariwise, the District Court evaluated each and found for Falwell when Falwell was entitled to prevail. And as to Factor IV, the Court below in *Lamparello* misconstrued it. ACPA holds liable one who "uses a domain name that—**(I)** in the case of a mark that is distinctive[17] at the time of registration of the domain name, is identical or confusingly similar to that mark" and Factor IV provides consideration of "the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name . . ." Thus, the "mark" being discussed in the statute is **falwell**, correctly spelled, not **fallwell** used in Lamparello's domain name. The *Lamparello* Court confused the **fallwell.com** domain name with the mark **falwell** with which it is confusingly similar. In his website, Mr. Lamparello does not use the extra "l" fallwell for comment or criticism, he uses Dr. Falwell's correctly spelled name for that purpose. Because Mr. Lamparello switches to the correct spelling of his target, it cannot be said that the misspelling is protected by Factor IV—a concept lost on the panel below. Further, under the lower court's interpretation here, it reads out of the statute entirely the necessity for the subject noncommercial use being "bona fide." It is believed that no court has heretofore ruled on either of these constructions of ACPA and certainly this Court never has.

2. *The "Safe Harbor" Provision*

The *Lamparello* Court's reading of Factor IV is the functional equivalent of a safe harbor. However, the ACPA includes a safe harbor provision—written by Congress— under which bad faith intent to profit "shall not be found in any case

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17. It was stipulated that the marks JERRY FALWELL and FALWELL were distinctive at the time of Mr. Lamparello's registration of fallwell.com and at all relevant times thereafter.

in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful." 15 U.S.C. § 1125(B)(ii). Courts have generally been skeptical of such claims, however, when other indicia clearly demonstrate the bad faith of the domain name registrant or where the alleged reasons for registering the domain name are inconsistent. Indeed, this very Fourth Circuit has noted that "[a]ll but the most blatant cybersquatters will be able to put forth at least some lawful motives of their behavior." *Virtual Works Inc. v. Volkswagen of America, Inc.*, 238 F.3d 264, 270 (4th Cir. 2001). As a result, the courts have agreed that "a defendant who acts even partially in bad faith in registering a domain name is not, as a matter of law, entitled to benefit from the Act's safe harbor provision."[18] "[T]he safe harbor provision will not be construed so broadly as to undermine the rest of the statute."[19] In *Lamparello*, the Circuit does nothing but undermine the rest of the statute.

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18. *Domain Name Clearing*, 2001 WL 788975 at *2 (quotation omitted); see also, e.g., *Coca Cola Co. v. Purdy*, 382 F.3d 774, 788 (8th Cir. 2004); *People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d at 369; *Victoria's Secret Stores*, 194 F. Supp. 2d at 723-24; *Victoria's Cyber Secret Ltd.*, 161 F. Supp. 2d at 1348-49.

19. *Domain Name Clearing*, 2001 WL 788975 at *2 (quotation omitted).

CONCLUSION

For the foregoing reasons, a Writ of Certiorari should issue to the Fourth Circuit.

Respectfully submitted,

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APPENDIX

APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT DECIDED AUGUST 24, 2005

UNITED STATES COURT OF APPEALS
FOURTH CIRCUIT

Christopher LAMPARELLO,

Plaintiff-Appellant,

v.

Jerry FALWELL; Jerry Falwell Ministries,

Defendants-Appellees.

American Civil Liberties Union; ACLU Foundation of Virginia; Intellectual Property Law Faculty, Amici Supporting Appellant. Christopher Lamparello,

Plaintiff-Appellee,

v.

Jerry Falwell; Jerry Falwell Ministries,

Defendants-Appellants.

American Civil Liberties Union; ACLU Foundation of Virginia; Intellectual Property Law Faculty, Amici Supporting Appellee. Christopher Lamparello,

Appendix A

Nos. 04-2011, 04-2122.
Argued May 26, 2005.
Decided Aug. 24, 2005.

OPINION

DIANA GRIBBON MOTZ, Circuit Judge.

Christopher Lamparello appeals the district court's order enjoining him from maintaining a gripe website critical of Reverend Jerry Falwell. For the reasons stated below, we reverse.

I.

Reverend Falwell is "a nationally known minister who has been active as a commentator on politics and public affairs." *Hustler Magazine v. Falwell, 485 U.S. 46, 47, 108 S.Ct. 876, 99 L.Ed.2d 41 (1988)*. He holds the common law trademarks "Jerry Falwell" and "Falwell," and the registered trademark "Listen America with Jerry Falwell." Jerry Falwell Ministries can be found online at "www.falwell.com," a website which receives 9,000 hits (or visits) per day. Lamparello registered the domain name "www.fallwell.com" on February 11, 1999, after hearing Reverend Falwell give an interview "in which he expressed opinions about gay people and homosexuality that [Lamparello] considered . . . offensive." Lamparello created a website at that domain name to respond to what he believed were "untruths about gay people." Lamparello's website included headlines such as "Bible verses that Dr. Falwell chooses to ignore" and "Jerry Falwell has been bearing false witness (Exodus 20:16) against

his gay and lesbian neighbors for a long time." The site also contained in-depth criticism of Reverend Falwell's views. For example, the website stated:

> Dr. Falwell says that he is on the side of truth. He says that he will preach that homosexuality is a sin until the day he dies. But we believe that if the reverend were to take another thoughtful look at the scriptures, he would discover that they have been twisted around to support an anti-gay political agenda . . . at the expense of the gospel.

Although the interior pages of Lamparello's website did not contain a disclaimer, the homepage prominently stated, "This website is NOT affiliated with Jerry Falwell or his ministry"; advised, "If you would like to visit Rev. Falwell's website, you may click here"; and provided a hyperlink to Reverend Falwell's website.

At one point, Lamparello's website included a link to the Amazon.com webpage for a book that offered interpretations of the Bible that Lamparello favored, but the parties agree that Lamparello has never sold goods or services on his website. The parties also agree that "Lamparello's domain name and web site at www.fallwell.com," which received only 200 hits per day, "had no measurable impact on the quantity of visits to [Reverend Falwell's] web site at www.falwell.com."

Nonetheless, Reverend Falwell sent Lamparello letters in October 2001 and June 2003 demanding that he cease and desist from using www.fallwell.com or any variation of Reverend Falwell's name as a domain name. Ultimately, Lamparello filed this action against Reverend Falwell and

his ministries (collectively referred to hereinafter as "Reverend Falwell"), seeking a declaratory judgment of noninfringement. Reverend Falwell counter-claimed, alleging trademark infringement under *15 U.S.C. § 1114 (2000)*, false designation of origin under *15 U.S.C. § 1125(a)*, unfair competition under *15 U.S.C. § 1126* and the common law of Virginia,[1] and cybersquatting under *15 U.S.C. § 1125(d)*.

The parties stipulated to all relevant facts and filed cross-motions for summary judgment. The district court granted summary judgment to Reverend Falwell, enjoined Lamparello from using Reverend Falwell's mark at www.fallwell.com, and required Lamparello to transfer the domain name to Reverend Falwell. *Lamparello, 360 F.Supp.2d at 773, 775.* However, the court denied Reverend

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1. As the district court noted, although Reverend Falwell "assert [s] a claim under *15 U.S.C. [§] 1126* for a violation of federal unfair competition law, no such cause of action exists. False Designation of Origin is commonly referred to as unfair competition law. . . ." *Lamparello v. Falwell, 360 F.Supp.2d 768, 773 n. 2 (E.D.Va.2004).* Accordingly, the district court "construed any claim by [Falwell] for violation of federal unfair competition law as a claim for violation of *15 U.S.C. [§] 1125.*" *Id.* We will do the same. Furthermore, because "[t]he test for trademark infringement and unfair competition under the Lanham Act is essentially the same as that for common law unfair competition under Virginia law because both address the likelihood of confusion as to the source of the goods or services involved," *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Va., Inc., 43 F.3d 922, 930 n. 10 (4th Cir.1995),*

Reverend Falwell's state-law unfair competition claim rises or falls with his federal claims of infringement and false designation of origin. Therefore, we will not analyze his state-law claim separately.

Appendix A

Falwell's request for statutory damages or attorney fees, reasoning that the "primary motive" of Lamparello's website was "to put forth opinions on issues that were contrary to those of [Reverend Falwell]" and "not to take away monies or to profit." *Id. at 775.*

Lamparello appeals the district court's order; Reverend Falwell cross-appeals the denial of statutory damages and attorney fees. We review *de novo* a district court's ruling on cross-motions for summary judgment. *See People for the Ethical Treatment of Animals v. Doughney, 263 F.3d 359, 364 (4th Cir.2001)* [hereinafter "*PETA*"].

II.

We first consider Reverend Falwell's claims of trademark infringement and false designation of origin.

A.

Section 32 of the Lanham Act creates a cause of action against:

> [a]ny person who shall, without the consent of the registrant—(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

15 U.S.C. § 1114(1). Similarly, Section 43(a) creates a cause of action against:

> [a]ny person who, on or in connection with any goods or services, . . . uses in commerce any word . . . [or] name . . . , or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person.

15 U.S.C. § 1125(a)(1)(A).

Both infringement and false designation of origin have five elements. To prevail under either cause of action, the trademark holder must prove:

> (1) that it possesses a mark; (2) that the [opposing party] used the mark; (3) that the [opposing party's] use of the mark occurred "in commerce"; (4) that the [opposing party] used the mark "in connection with the sale, offering for sale, distribution, or advertising" of goods or services; and (5) that the [opposing party] used the mark in a manner likely to confuse consumers.

PETA, 263 F.3d at 364 (citing *15 U.S.C. §§ 1114, 1125*, and *Lone Star Steakhouse & Saloon, 43 F.3d at 930)*.

Appendix A

Trademark law serves the important functions of protecting product identification, providing consumer information, and encouraging the production of quality goods and services. *See Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 164, 115 S.Ct. 1300, 131 L.Ed.2d 248 (1995).* But protections " 'against unfair competition' " cannot be transformed into " 'rights to control language.' " *CPC Int'l, Inc. v. Skippy Inc., 214 F.3d 456, 462 (4th Cir.2000)* (quoting Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense, 108 Yale L.J. 1687, 1710-11 (1999)*). "Such a transformation" would raise serious First Amendment concerns because it would limit the ability to discuss the products or criticize the conduct of companies that may be of widespread public concern and importance. Much useful social and commercial discourse would be all but impossible if speakers were under threat of an infringement lawsuit every time they made reference to a person, company or product by using its trademark. *Id.* (internal quotation marks and citations omitted).

Lamparello and his amici argue at length that application of the Lanham Act must be restricted to "commercial speech" to assure that trademark law does not become a tool for unconstitutional censorship. The Sixth Circuit has endorsed this view, *see Taubman Co. v. Webfeats, 319 F.3d 770, 774 (6th Cir.2003)*, and the Ninth Circuit recently has done so as well, *see Bosley Med. Inst., Inc. v. Kremer, 403 F.3d 672, 674 (9th Cir.2005)*.

In its two most significant recent amendments to the Lanham Act, the Federal Trademark Dilution Act of 1995 ("FTDA") and the Anticybersquatting Consumer Protection

Act of 1999 ("ACPA"), Congress left little doubt that it did not intend for trademark laws to impinge the First Amendment rights of critics and commentators. The dilution statute applies to only a "commercial use in commerce of a mark," *15 U.S.C. § 1125(c)(1)*, and explicitly states that the "[n]oncommercial use of a mark" is not actionable. *Id. § 1125(c)(4)*. Congress explained that this language was added to "adequately address [ ] legitimate First Amendment concerns," *H.R.Rep. No. 104-374, at 4 (1995), reprinted in* 1995 U.S.C.C.A.N. 1029, 1031, and "incorporate[d] the concept of 'commercial' speech from the 'commercial speech' doctrine." *Id.* at 8, *reprinted in* 1995 U.S.C.C.A.N. at 1035; *cf. Lorillard Tobacco Co. v. Reilly, 533 U.S. 525, 554, 121 S.Ct. 2404, 150 L.Ed.2d 532 (2001)* (defining commercial speech as "speech proposing a commercial transaction") (internal quotation marks and citation omitted). Similarly, Congress directed that in determining whether an individual has engaged in cybersquatting, the courts may consider whether the person's use of the mark is a "bona fide noncommercial or fair use." *15 U.S.C. § 1125(d)(1)(B)(i)(IV)*. The legislature believed this provision necessary to "protect[ ] the rights of Internet users and the interests of all Americans in free speech and protected uses of trademarked names for such things as parody, comment, criticism, comparative advertising, news reporting, etc." *S.Rep. No. 106-140 (1999), 1999 WL 594571, at *8.* In contrast, the trademark infringement and false designation of origin provisions of the Lanham Act (Sections 32 and 43(a), respectively) do not employ the term "noncommercial." They do state, however, that they pertain only to the use of a mark "in connection with the sale, offering for sale, distribution, or advertising of any goods or services,"

15 U.S.C. § 1114(1)(a), or "in connection with any goods or services," *id. § 1125(a)(1)*. But courts have been reluctant to define those terms narrowly.[2] Rather, as the Second Circuit has explained, "[t]he term 'services' has been interpreted broadly" and so "[t]he Lanham Act has . . . been applied to defendants furnishing a wide variety of non-commercial public and civic benefits." *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc., 128 F.3d 86, 89-90 (2d Cir.1997)*. Similarly, in *PETA* we noted that a website need not actually sell goods or services for the use of a mark in that site's domain name to constitute a use " 'in connection with' goods or services." *PETA, 263 F.3d at 365; see also Taubman Co., 319 F.3d at 775* (concluding that website with *two* links to websites of for-profit entities violated the Lanham Act).

Thus, even if we accepted Lamparello's contention that Sections 32 and 43(a) of the Lanham Act apply only to commercial speech, we would still face the difficult question of what constitutes such speech under those provisions. In the case at hand, we need not resolve that question or determine whether Sections 32 and 43(a) apply exclusively to commercial speech because Reverend Falwell's claims of trademark infringement and false designation fail for a more obvious reason. The hallmark of such claims is a likelihood of confusion—and there is no likelihood of confusion here.

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2. Indeed, Lamparello agreed at oral argument that the Lanham Act's prohibitions on infringement and false designation apply to more than just commercial speech as defined by the Supreme Court.

Appendix A

B.

1.

"[T]he use of a competitor's mark that does not cause confusion as to source is permissible." *Dorr-Oliver, Inc. v. Fluid-Quip, Inc., 94 F.3d 376, 380 (7th Cir.1996).* Accordingly, Lamparello can only be liable for infringement and false designation if his use of Reverend Falwell's mark would be likely to cause confusion as to the source of the website found at www.fallwell.com. This likelihood-of-confusion test "generally strikes a comfortable balance" between the First Amendment and the rights of markholders. *Mattel, Inc. v. MCA Records, Inc., 296 F.3d 894, 900 (9th Cir.2002).*

We have identified seven factors helpful in determining whether a likelihood of confusion exists as to the source of a work, but "not all these factors are always relevant or equally emphasized in each case." *Pizzeria Uno Corp. v. Temple, 747 F.2d 1522, 1527 (4th Cir.1984)* (internal quotation marks, citations, and brackets omitted). The factors are: "(a) the strength or distinctiveness of the mark; (b) the similarity of the two marks; (c) the similarity of the goods/services the marks identify; (d) the similarity of the facilities the two parties use in their businesses; (e) the similarity of the advertising used by the two parties; (f) the defendant's intent; (g) actual confusion." *Id.* (citation omitted).

Reverend Falwell's mark is distinctive, and the domain name of Lamparello's website, www.fallwell.com, closely resembles it. But, although Lamparello and Reverend Falwell

employ similar marks online, Lamparello's website looks nothing like Reverend Falwell's; indeed, Lamparello has made no attempt to imitate Reverend Falwell's website. Moreover, Reverend Falwell does not even argue that Lamparello's website constitutes advertising or a facility for business, let alone a facility or advertising similar to that of Reverend Falwell. Furthermore, Lamparello clearly created his website intending only to provide a forum to criticize ideas, not to steal customers.

Most importantly, Reverend Falwell and Lamparello do not offer similar goods or services. Rather they offer opposing ideas and commentary. Reverend Falwell's mark identifies his spiritual and political views; the website at www.fallwell.com criticizes those very views. After even a quick glance at the content of the website at www.fallwell.com, no one seeking Reverend Falwell's guidance would be misled by the domain name—www.fallwell.com—into believing Reverend Falwell authorized the content of that website. No one would believe that Reverend Falwell sponsored a site criticizing himself, his positions, and his interpretations of the Bible. *See New Kids on the Block v. News Am. Publ'g, Inc., 971 F.2d 302, 308-09 (9th Cir.1992)* (stating that use of a mark to solicit criticism of the markholder implies the markholder is not the sponsor of the use).[3]

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3. If Lamparello had neither criticized Reverend Falwell by name nor expressly rejected Reverend Falwell's teachings, but instead simply had quoted Bible passages and offered interpretations of them subtly different from those of Reverend Falwell, this would be a different case. For, while a gripe site, or a website dedicated to

(Cont'd)

Finally, the fact that people contacted Reverend Falwell's ministry to report that they found the content at www.fallwell.com antithetical to Reverend Falwell's views does not illustrate, as Reverend Falwell claims, that the website engendered actual confusion. To the contrary, the anecdotal evidence Reverend Falwell submitted shows that those searching for Reverend Falwell's site and arriving instead at Lamparello's site quickly realized that Reverend Falwell was *not* the source of the content therein.

For all of these reasons, it is clear that the undisputed record evidences no likelihood of confusion. In fact, Reverend Falwell even conceded at oral argument that those viewing the content of Lamparello's website probably were unlikely to confuse Reverend Falwell with the source of that material.

2.

Nevertheless, Reverend Falwell argues that he is entitled to prevail under the "initial interest confusion" doctrine. This relatively new and sporadically applied doctrine holds that "the Lanham Act forbids a competitor from luring potential customers away from a producer by initially passing off its goods as those of the producer's, even if confusion as to the source of the goods is dispelled by the time any sales are consummated." *Dorr-Oliver, 94 F.3d at 382.* According to Reverend Falwell, this doctrine requires us to compare his

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(Cont'd)

criticism of the markholder, will seldom create a likelihood of confusion, a website purporting to be the official site of the markholder and, for example, articulating positions that could plausibly have come from the markholder may well create a likelihood of confusion.

mark with Lamparello's website domain name, www.fallwell.com, *without* considering the content of Lamparello's website. Reverend Falwell argues that some people who misspell his name may go to www.fallwell.com assuming it is his site, thus giving Lamparello an unearned audience—albeit one that quickly disappears when it realizes it has not reached Reverend Falwell's site. This argument fails for two reasons.

First, we have never adopted the initial interest confusion theory; rather, we have followed a very different mode of analysis, requiring courts to determine whether a likelihood of confusion exists by "examin[ing] the allegedly infringing use *in the context in which it is seen by the ordinary consumer.*" *Anheuser-Busch, Inc. v. L & L Wings, Inc., 962 F.2d 316, 319 (4th Cir.1992)* (emphasis added) (citing cases); *see also What-A-Burger of Va., Inc. v. Whataburger, Inc., 357 F.3d 441, 450 (4th Cir.2004).*

Contrary to Reverend Falwell's arguments, we did not abandon this approach in *PETA*. Our inquiry in *PETA* was limited to whether Doughney's use of the domain name "www.peta.org" constituted a successful enough parody of People for the Ethical Treatment of Animals that no one was likely to believe www.peta.org was sponsored or endorsed by that organization. For a parody to be successful, it "must convey two simultaneous—and contradictory—messages: that it is the original, but also that it is *not* the original and is instead a parody." *PETA, 263 F.3d at 366* (internal quotation marks and citation omitted). Doughney argued that his domain name conveyed the first message (that it was PETA's website) and that the content of his website conveyed the

requisite second message (that it was not PETA's site). *Id.* Although "[t]he website's content ma[de] it clear that it [wa]s not related to PETA," *id.*, we concluded that the website's content could not convey the requisite second message because the site's content "[wa]s not conveyed *simultaneously* with the first message, [i.e., the domain name itself,] as required to be considered a parody." *Id. at 366.* Accordingly, we found the "district court properly rejected Doughney's parody defense." *Id. at 367.*

PETA simply outlines the parameters of the parody defense; it does not adopt the initial interest confusion theory or otherwise diminish the necessity of examining context when determining whether a likelihood of confusion exists. Indeed, in *PETA* itself, rather than embracing a new approach, we reiterated that "[t]o determine whether a likelihood of confusion exists, a court should not consider how closely a *fragment* of a given use duplicates the trademark, but must instead consider *whether the use in its entirety creates a likelihood of confusion.*" *Id. at 366* (internal quotation marks and citation omitted) (emphasis added). When dealing with domain names, this means a court must evaluate an allegedly infringing domain name in conjunction with the content of the website identified by the domain name.[4]

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4. Contrary to Reverend Falwell's suggestions, this rule does not change depending on how similar the domain name or title is to the mark. Hence, Reverend Falwell's assertion that he objects only to Lamparello using the domain name www.fallwell.com and has no objection to Lamparello posting his criticisms at "www.falwelliswrong.com," or a similar domain name, does not entitle him to a different evaluation rule. Rather it has long been

(Cont'd)

Moreover, even if we did endorse the initial interest confusion theory, that theory would not assist Reverend Falwell here because it provides no basis for liability in circumstances such as these. The few appellate courts that have followed the Ninth Circuit and imposed liability under this theory for using marks on the Internet have done so only in cases involving a factor utterly absent here—one business's use of another's mark for its own financial gain. *See, e.g., PACCAR Inc. v. TeleScan Techs., L.L.C., 319 F.3d 243, 253 (6th Cir.2003); Promatek Indus., Ltd. v. Equitrac Corp., 300 F.3d 808, 812 (7th Cir.2002); Brookfield Communications, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1055-56 (9th Cir.1999).*

Profiting financially from initial interest confusion is thus a key element for imposition of liability under this theory.[5] When an alleged infringer does not compete with

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established that even when alleged infringers use the *very marks at issue* in titles, courts look to the underlying *content* to determine whether the titles create a likelihood of confusion as to source. *See, e.g., Parks v. LaFace Records, 329 F.3d 437, 452-54 (6th Cir.2003); Mattel, 296 F.3d at 901-02; Westchester Media v. PRL USA Holdings, Inc., 214 F.3d 658, 667-68 (5th Cir.2000); Rogers v. Grimaldi, 875 F.2d 994, 1000-01 (2d Cir.1989).*

5. Offline uses of marks found to cause actionable initial interest confusion also have involved financial gain. *See Elvis Presley Enters., Inc. v. Capece, 141 F.3d 188, 204 (5th Cir.1998); Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 260 (2d Cir.1987).* And even those courts recognizing the initial interest confusion theory of liability but finding no actionable initial confusion involved
(Cont'd)

the markholder for sales, "some initial confusion will not likely facilitate free riding on the goodwill of another mark, or otherwise harm the user claiming infringement. Where confusion has little or no meaningful effect in the marketplace, it is of little or no consequence in our analysis." *Checkpoint Sys., 269 F.3d at 296-97.* For this reason, even the Ninth Circuit has stated that a firm is not liable for using another's mark in its domain name if it "could not financially capitalize on [a] misdirected consumer [looking for the markholder's site] even if it so desired." *Interstellar Starship Servs., Ltd. v. Epix, Inc., 304 F.3d 936, 946 (9th Cir.2002).*

This critical element—use of another firm's mark to capture the markholder's customers and profits—simply does not exist when the alleged infringer establishes a gripe site that criticizes the markholder. *See* Hannibal Travis, *The Battle For Mindshare: The Emerging Consensus that the First Amendment Protects Corporate Criticism and Parody on the Internet, 10 Va. J.L. & Tech. 3, 85 (Winter 2005)* ("The premise of the 'initial interest' confusion cases is that by using the plaintiff's trademark to divert its customers, the defendant is engaging in the old 'bait and switch.' But

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(Cont'd)

one business's use of another's mark for profit. *See, e.g., Savin Corp. v. The Savin Group, 391 F.3d 439, 462 n. 13 (2d Cir.2004); AM Gen. Corp. v. DaimlerChrysler Corp., 311 F.3d 796, 827-28 (7th Cir.2002); Checkpoint Sys., Inc. v. Check Point Software Techs., Inc., 269 F.3d 270, 298 (3d Cir.2001); Hasbro, Inc. v. Clue Computing, Inc., 232 F.3d 1, 2 (1st Cir.2000); Syndicate Sales, Inc. v. Hampshire Paper Corp., 192 F.3d 633, 638 (7th Cir.1999); Rust Env't & Infrastructure, Inc. v. Teunissen, 131 F.3d 1210, 1217 (7th Cir.1997); Dorr-Oliver, 94 F.3d at 383.*

because . . . Internet users who find [gripe sites] are not sold anything, the mark may be the 'bait,' but there is simply no 'switch.' ") (citations omitted).[6] Applying the initial interest confusion theory to gripe sites like Lamparello's would enable the markholder to insulate himself from criticism—or at least to minimize access to it. We have already condemned such uses of the Lanham Act, stating that a markholder cannot " 'shield itself from criticism by forbidding the use of its name in commentaries critical of its conduct.' " *CPC Int'l, 214 F.3d at 462* (quoting *L.L. Bean, Inc. v. Drake Publishers, Inc., 811 F.2d 26, 33 (1st Cir.1987)*). "[J]ust because speech is critical of a corporation and its business practices is not a sufficient reason to enjoin the speech." *Id.*

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6. Although the appellate courts that have adopted the initial interest confusion theory have only applied it to profit-seeking uses of another's mark, the district courts have not so limited the application of the theory. Without expressly referring to this theory, two frequently-discussed district court cases have held that using another's domain name to post content antithetical to the markholder constitutes infringement. *See Planned Parenthood Fed'n of Am., Inc. v. Bucci, No. 97 Civ. 0629, 1997 WL 133313 (S.D.N.Y. March 24, 1997), aff'd, 152 F.3d 920 (2d Cir.1998)* (table) (finding use of domain name "www.plannedparenthood.com" to provide links to passages of anti-abortion book constituted infringement); *Jews for Jesus v. Brodsky, 993 F.Supp. 282 (D.N.J.1998), aff'd, 159 F.3d 1351 (3d Cir.1998)* (table) (finding use of "www.jewsforjesus.org" to criticize religious group constituted infringement). We think both cases were wrongly decided to the extent that in determining whether the domain names were confusing, the courts did not consider whether the websites' content would dispel any confusion. In expanding the initial interest confusion theory of liability, these cases cut it off from its moorings to the detriment of the First Amendment.

In sum, even if we were to accept the initial interest confusion theory, that theory would not apply in the case at hand. Rather, to determine whether a likelihood of confusion exists as to the source of a gripe site like that at issue in this case, a court must look not only to the allegedly infringing domain name, but also to the underlying content of the website. When we do so here, it is clear, as explained above, that no likelihood of confusion exists. Therefore, the district court erred in granting Reverend Falwell summary judgment on his infringement, false designation, and unfair competition claims.

III.

We evaluate Reverend Falwell's cybersquatting claim separately because the elements of a cybersquatting violation differ from those of traditional Lanham Act violations. To prevail on a cybersquatting claim, Reverend Falwell must show that Lamparello: (1) "had a bad faith intent to profit from using the [www.fallwell.com] domain name," and (2) the domain name www.fallwell.com "is identical or confusingly similar to, or dilutive of, the distinctive and famous [Falwell] mark." *PETA, 263 F.3d at 367* (citing *15 U.S.C. § 1125(d)(1)(A)*).

"The paradigmatic harm that the ACPA was enacted to eradicate" is "the practice of cybersquatters registering several hundred domain names in an effort to sell them to the legitimate owners of the mark." *Lucas Nursery & Landscaping, Inc. v. Grosse, 359 F.3d 806, 810 (6th Cir.2004)*. The Act was also intended to stop the registration of multiple marks with the hope of selling them to the highest

bidder, "distinctive marks to defraud consumers" or "to engage in counterfeiting activities," and "well-known marks to prey on consumer confusion by misusing the domain name to divert customers from the mark owner's site to the cybersquatter's own site, many of which are pornography sites that derive advertising revenue based on the number of visits, or 'hits,' the site receives." S.*Rep. No. 106-140, 1999 WL 594571, at *5-6.* The Act was not intended to prevent "noncommercial uses of a mark, such as for comment, criticism, parody, news reporting, etc.," and thus they "are beyond the scope" of the ACPA. *Id.* at *9.

To distinguish abusive domain name registrations from legitimate ones, the ACPA directs courts to consider nine nonexhaustive factors:

> (I) the trademark or other intellectual property rights of the person, if any, in the domain name;
>
> (II) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;
>
> (III) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;
>
> (IV) the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name;

Appendix A

(V) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;

(VI) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services, or the person's prior conduct indicating a pattern of such conduct;

(VII) the person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct;

(VIII) the person's registration or acquisition of multiple domain names which the person knows are identical or confusingly similar to marks of others that are distinctive at the time of the registration of such domain names, or dilutive of famous marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of the parties; and

> (IX) the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous within the meaning of subsection (c)(1) of this section.

15 U.S.C. § 1125(d)(1)(B)(i); see also H.R.*Rep. No. 106-412 (1999), 1999 WL 970519, at *10.*

These factors attempt "to balance the property interests of trademark owners with the legitimate interests of Internet users and others who seek to make lawful uses of others' marks, including for purposes such as comparative advertising, *comment, criticism*, parody, news reporting, fair use, etc." H.R. *Rep. No. 106-412, 1999 WL 970519, at *10* (emphasis added). "The first four [factors] suggest circumstances that may tend to indicate an absence of bad-faith intent to profit from the goodwill of a mark, and the others suggest circumstances that may tend to indicate that such bad-faith intent exists." *Id.* However, "[t]here is no simple formula for evaluating and weighing these factors. For example, courts do not simply count up which party has more factors in its favor after the evidence is in." *Harrods Ltd. v. Sixty Internet Domain Names, 302 F.3d 214, 234 (4th Cir.2002).* In fact, because use of these listed factors is permissive, "[w]e need not ... march through" them all in every case. *Virtual Works, Inc. v. Volkswagen of Am., Inc., 238 F.3d 264, 269 (4th Cir.2001).* "The factors are *320 given to courts as a guide, not as a substitute for careful thinking about whether the conduct at issue is motivated by a bad faith intent to profit." *Lucas Nursery & Landscaping, 359 F.3d at 811.*

Appendix A

After close examination of the undisputed facts involved in this case, we can only conclude that Reverend Falwell cannot demonstrate that Lamparello "had a bad faith intent to profit from using the [www.fallwell.com] domain name." *PETA, 263 F.3d at 367.* Lamparello clearly employed www.fallwell.com simply to criticize Reverend Falwell's views. Factor IV of the ACPA, *15 U.S.C. § 1125(d)(1)(B)(i)(IV)*, counsels against finding a bad faith intent to profit in such circumstances because "use of a domain name for purposes of . . . comment, [and] criticism," H.R.*Rep. No. 106-412, 1999 WL 970519, at *11*, constitutes a "bona fide noncommercial or fair use" under the statute, *15 U.S.C. § 1125(d)(1)(B)(i)(IV)*.[7] That Lamparello provided a link to an Amazon.com webpage selling a book he favored does not diminish the communicative function of his website. The use of a domain name to engage in criticism or commentary "even where done for profit" does not alone evidence a bad faith intent to profit, H.R.*Rep. No. 106-412, 1999 WL 970519, at *11*, and Lamparello did not even stand

7. We note that factor IV does not protect a faux noncommercial site, that is, a noncommercial site created by the registrant for the sole purpose of avoiding liability under the FTDA, which exempts noncommercial uses of marks, *see 15 U.S.C. § 1125(c)(4)(B)*, or under the ACPA. As explained by the Senate Report discussing the ACPA, an individual cannot avoid liability for registering and attempting to sell a hundred domain names incorporating famous marks by posting noncommercial content at those domain names. *See* S.*Rep. No. 106-140, 1999 WL 594571, at *14* (citing *Panavision Int'l v. Toeppen, 141 F.3d 1316 (9th Cir.1998)*). But Lamparello's sole purpose for registering www.fallwell.com was to criticize Reverend Falwell, and this noncommercial use was not a ruse to avoid liability. Therefore, factor IV indicates that Lamparello did not have a bad faith intent to profit.

to gain financially from sales of the book at Amazon.com. Thus factor IV weighs heavily in favor of finding Lamparello lacked a bad faith intent to profit from the use of the domain name.

Equally important, Lamparello has not engaged in the type of conduct described in the statutory factors as typifying the bad faith intent to profit essential to a successful cybersquatting claim. First, we have already held, *supra* Part II.B, that Lamparello's domain name does not create a likelihood of confusion as to source or affiliation. Accordingly, Lamparello has not engaged in the type of conduct—"creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site," *15 U.S.C. § 1125(d)(1)(B)(i)(V)*—described as an indicator of a bad faith intent to profit in factor V of the statute.

Factors VI and VIII also counsel against finding a bad faith intent to profit here. Lamparello has made no attempt—or even indicated a willingness—"to transfer, sell, or otherwise assign the domain name to [Reverend Falwell] or any third party for financial gain." *15 U.S.C. § 1125(d)(1)(B)(i)(VI)*. Similarly, Lamparello has not registered "multiple domain names," *15 U.S.C. § 1125(d)(1)(B)(i)(VIII)*; rather, the record indicates he has registered only one. Thus, Lamparello's conduct is not of the suspect variety described in factors VI and VIII of the Act.

Notably, the case at hand differs markedly from those in which the courts have found a bad faith intent to profit from domain names used for websites engaged in political

commentary or parody. For example, in *PETA* we found the registrant of www.peta.org engaged in cybersquatting because www.peta.org was one of *fifty* to *sixty* domain names Doughney had registered, *PETA, 263 F.3d at 362*, and because Doughney had evidenced a clear intent to sell www.peta.org to PETA, stating that PETA should try to " 'settle' with him and 'make him an offer.' " *Id. at 368. See also Virtual Works, 238 F.3d at 269-70.* Similarly, in *Coca-Cola Co. v. Purdy, 382 F.3d 774 (8th Cir.2004)*, the Eighth Circuit found an anti-abortion activist who had registered domain names incorporating famous marks such as "Washington Post" liable for cybersquatting because he had registered almost *seventy* domain names, had offered to stop using the Washington Post mark if the newspaper published an opinion piece by him on its editorial page, and posted content that created a likelihood of confusion as to whether the famous markholders sponsored the anti-abortion sites and "ha[d] taken positions on hotly contested issues." *Id. at 786.* In contrast, Lamparello did not register multiple domain names, he did not offer to transfer them for valuable consideration, and he did not create a likelihood of confusion.

Instead, Lamparello, like the plaintiffs in two cases recently decided by the Fifth and Sixth Circuits, created a gripe site. Both courts expressly refused to find that gripe sites located at domain names nearly identical to the marks at issue violated the ACPA. In *TMI, Inc. v. Maxwell, 368 F.3d 433, 434-35 (5th Cir.2004)*, Joseph Maxwell, a customer of homebuilder TMI, registered the domain name "www.trendmakerhome.com," which differed by only one letter from TMI's mark, TrendMaker Homes, and its domain name, "www.trendmakerhomes.com." Maxwell used the site

to complain about his experience with TMI and to list the name of a contractor whose work pleased him. After his registration expired, Maxwell registered "www.trendmakerhome.info." TMI then sued, alleging cybersquatting. The Fifth Circuit reversed the district court's finding that Maxwell violated the ACPA, reasoning that his site was noncommercial and designed only "to inform potential customers about a negative experience with the company." *Id. at 438-39.*

Similarly, in *Lucas Nursery & Landscaping*, a customer of Lucas Nursery registered the domain name "www.lucasnursery.com" and posted her dissatisfaction with the company's landscaping services. Because the registrant, Grosse, like Lamparello, registered a single domain name, the Sixth Circuit concluded that her conduct did not constitute that which Congress intended to proscribe—i.e., the registration of multiple domain names. *Lucas Nursery & Landscaping, 359 F.3d at 810.* Noting that Grosse's gripe site did not create any confusion as to sponsorship and that she had never attempted to sell the domain name to the markholder, the court found that Grosse's conduct was not actionable under the ACPA. The court explained: "One of the ACPA's main objectives is the protection of consumers from slick internet peddlers who trade on the names and reputations of established brands. The practice of informing fellow consumers of one's experience with a particular service provider is surely not inconsistent with this ideal." *Id. at 811.*

Like Maxwell and Grosse before him, Lamparello has not evidenced a bad faith intent to profit under the ACPA.

To the contrary, he has used www.fallwell.com to engage in the type of "comment[ ][and] criticism" that Congress specifically stated militates against a finding of bad faith intent to profit. *See* S. *Rep. No. 106-140, 1999 WL 594571, at *14.* And he has neither registered multiple domain names nor attempted to transfer www.fallwell.com for valuable consideration. We agree with the Fifth and Sixth Circuits that, given these circumstances, the use of a mark in a domain name for a gripe site criticizing the markholder does not constitute cybersquatting.

IV.

For the foregoing reasons, Lamparello, rather than Reverend Falwell, is entitled to summary judgment on all counts.[8] Accordingly, the judgment of the district court is reversed and the case is remanded for entry of judgment for Lamparello.

REVERSED AND REMANDED.

8. Given our resolution of Lamparello's appeal, Reverend Falwell's cross-appeal with respect to statutory damages and attorney fees is moot.

APPENDIX B — MEMORANDUM OPINION OF THE UNITED STATES DISTRICT COURT FOR THE EASTERN DIVISION OF VIRGINIA, ALEXANDRIA DIVISION DATED AUGUST 5, 2004

UNITED STATES DISTRICT COURT
E.D. OF VIRGINIA
ALEXANDRIA DIVISION

No. CIV.A. 03-1503-A

Aug. 5, 2004

Christopher LAMPARELLO,

Plaintiff/Counter-Defendant,

v.

Jerry FALWELL et al.,

Defendants/Counter-Claimants.

MEMORANDUM OPINION

HILTON, District Judge.

This matter comes before the Court on cross motions for summary judgement. The dispute in this matter arises out of the use and registration of a website "www.fallwell.com." Plaintiff/Counter-Defendant, Christopher Lamparello ("Plaintiff" or "Counter-Defendant"), brings a complaint for declaratory relief seeking a declaration (1) that he has neither infringed nor diluted

any trademark or falsely designated any origin, and that he is not in violation of Section 32 of the Lanham Act, *15 U.S.C. § 1114*, and that he is not in violation of Section 43 of the Lanham Act, subsections (a), (c) or (d), *15 U.S.C. § § 1125(a), (c) or (d), (2)* that he is not infringing or diluting under state law, that he has not engaged and is not engaging in unfair competition or otherwise in violation of any common-law trademark rights or any causes of action which may be alleged through counterclaims, (3) that any claims under these statutes have expired under the applicable statutes of limitations or laches, and (4) that any claims brought under these statutes are barred by the First Amendment and by principles of fair use, including nominative use and parody. Defendant/Counter-Claimant, Jerry Falwell ("Falwell") and Jerry Falwell Ministries ("Falwell Ministries") (together "Defendants" or "Counter-Claimants"), bring an action asserting the following claims against the Counter-Defendants for (1) Federal Trademark Infringement (Jerry Falwell only) under Section 32 of the Lanham Act, *15 U.S.C. 1114* ("Count I"), (2) False Designation of Origin under Section 45 of the Lanham Act, *15 U.S.C. 1125(a)* ("Count II"), (3) Federal unfair competition under *15 U.S.C. 1126* and state unfair competition under Virginia common law ("Count III"), and (4) Federal cybersquatting under *15 U.S.C. 1125(d)* ("Count IV").

Each of the parties agrees that there are no material facts in dispute and that the matter is ripe for summary judgement on the issues. Plaintiff/Counter-Defendant operated the website www.fallwell.com as a platform for the expression of his view points on homosexuality and his disagreement on similar issues with the Defendants/Counter-Claimants.

Appendix B

Both parties agree that Plaintiff/Counter-Defendant at one time provided a hyperlink for the sale of a book on the website amazon.com.

Summary judgment is appropriate where there is no genuine issue as to any material fact. *See Fed.R.Civ.P. 56(c).* Once a motion for summary judgment is properly made and supported, the opposing party has the burden of showing that a genuine dispute exists. *See Matsushita Elec. Indus. Co. v. Zenith Radio Corp., 475 U.S. 574, 586-87, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986).* A material fact in dispute appears when its existence or non-existence could lead a jury to different outcomes. *See Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986).* A genuine issue exists when there is sufficient evidence on which a reasonable jury could return a verdict in favor of the non-moving party. *See Id.* Mere speculation by the non-moving party "cannot create a genuine issue of material fact." *Beale v. Hardy, 769 F.2d 213, 214 (4th Cir.1985).* When a motion for summary judgment is made, the evidence presented must always be taken in the light most favorable to the non-moving party. *See Smith v. Virginia Commonwealth Univ., 84 F.3d 672, 675 (4th Cir.1996)* (en banc).

As it is dispositive of all the motions, the Court will address Defendants' motion for summary judgment first.

In order to prove a claim for Section 32 Trademark Infringement, a counter-claimant has the burden of proving the following: (1) that it possesses a mark; (2) that the counter-defendant used the mark; (3) that the counter-

defendant's use of the mark occurred 'in commerce'; (4) that the counter-defendant used the mark 'in connection with the sale, offering for sale, distribution, or advertising' of goods or services; and (5) that the counter-defendant used the mark in manner likely to confuse consumers. *People For Ethical Treatment Of Animals v. Doughney, 263 F.3d 359, 364 (4th Cir.2001).*

Counter-claimant Jerry Falwell satisfies the first element of Count 1 as he possesses a registered trademark.[1] Evidence demonstrates, and the Counter-Defendants do not deny, that Mr. Falwell has a trademark registration in the United States for "Listen America with Jerry Falwell."

It is also clear that the Counter-Defendant "used the mark." In order to show that Defendant "used the mark." Plaintiff need not show that the Defendant used an exact match of the trademark at issue. *263 F.3d at 364; See 15 U.S.C. § 1114 (2004).* For Trademark Infringement, a plain reading of *15 U.S.C. § 1114(1)(a)* provides that "any . . . colorable imitation" of the trademark is enough. Counter-Defendant's registered domain name www.fallwell.com clearly is a "colorable imitation" of the "Listen America with Jerry Falwell" mark. *See e.g. Eurotech, Inc. v. Cosmos European Travels Aktiengesellschaft, 213 F.Supp.2d. 612, 619 (E.D.Va.2002). Cable News Network L.P., L.L.L.P. v. CNNews.com, 177 F.Supp.2d 506, 517 (E.D.Va.2001).*

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1. Counter-claimant Falwell Ministries does not hold a registered trademark and does not press a claim under *15 U.S.C. § 1114.*

Appendix B

The "in commerce" element of the test set forth in *Doughney* simply denotes Congress's authority under the Commerce Clause rather than an intent to limit the Act's application to profit making activity. *Cable News Network* at 506. Commerce as used under the Lanham Act is, in fact, simply "coterminous with that commerce that Congress may regulate under the Commerce Clause of the United States Constitution." *International Bancorp, LLC v. Societe des Bains de Mer et du Cercle, 329 F.3d 359, 366 (4th Cir.2003).* The nature of the internet is such that Counter-Defendant's website is available 'in commerce' throughout the United States and around the world; this element is satisfied.

The evidence shows and the Counter-Defendant does not deny, that he has in the past used www.fallwell.com to provide a hyperlink to www.amazon.com for the sale of a book. Additionally, Counter-Defendant's activities are clearly "services" within the meaning of the Lanham Act. Although the majority of Counter-Defendant's activities are not undertaken for profit, he has unquestionably rendered a service, i.e. the provision of information and viewpoints critical of the Counter-Claimants. Were activities such as the Counter-Defendants not considered services these Lanham Act protections would essentially be rendered toothless; anyone would be entirely free to distribute publicity statements, endorsements, and position papers in the name of the Counter-Claimants so long as they did not profit from such activities. Counter-Claimants have satisfied the third element.

In determining whether likelihood of confusion exists, the Court must consider the following factors: (1) the strength

or distinctiveness of the counter-claimant's mark, (2) the similarity of the two parties' marks, (3) the similarity of the goods and services the marks identify, (4) the similarity of the facilities the two parties use in their businesses, (5) the similarity of advertising used by the two parties, (6) the counter-defendant's intent, and (7) actual confusion. *Petro Stopping Centers, L.P. v. James River Petroleum, 130 F.3d 88, 91 (4th Cir.1997)*, citing *Pizzeria Uno, 747 F.2d 1522 (4th Cir.1984)*.

Counter-claimants have shown a likelihood of confusion. The "Listen America with Jerry Falwell" trademark is distinctive and strong. The substantive portion of the trademark at issue is nearly identical to the Counter-Defendant's domain name. The parties use the same facility, the internet, to advance their points of view on morality and Christianity to others. The Counter-claimants have also shown actual confusion. Counter-claimants have presented evidence that individuals have specifically confused the Counter-Defendant's website with a website run by the Counter-Claimants. Counter-claimants also presented evidence in the form of a survey of mail sent to Jerry Falwell Ministries. During the mail survey, three percent of senders spelled Counter-Claimant Jerry Falwell's name f-a-l-l-w-e-l-l. Additionally, in consideration of the fact that the Counter-Defendant's domain name is nearly identical to the substantive portion of the trademark and the names of the Counter-Claimants, it is likely that Internet users will conclude that the mark, the names of the Counter-Claimant, and the domain name used by the Defendant share a common affiliation or sponsorship. Defendants have also employed internet "meta-tags" to facilitate this exact type of confusion.

For such reasons, the Counter-Claimants are entitled to summary judgement on Count I.

In order to prove a claim for Section 43, False Designation of Origin, a counter-claimant has the burden of showing the same four elements: (1) that it possesses a mark; (2) that the counter-defendant used the mark; (3) that the counter-defendant's use of the mark occurred 'in commerce'; (4) that the counter-defendant used the mark 'in connection with the sale, offering for sale, distribution, or advertising' of goods or services; and (5) that the counter-defendant used the mark in manner likely to confuse consumers. *People For Ethical Treatment Of Animals v. Doughney, 263 F.3d 359, 364 (4th Cir.2001).*[2] This section of the Lanham Act prohibits similar conduct with respect to unregistered marks. *Superformance Int'l, Inc. v. Hartford Cas. Ins. Co., 332 F.3d 215, 222 (4th Cir.2003); See International Bancorp v. Societe des Bains de Mer, 329 F.3d 359, 363 (4th Cir.2003).*

The first element of the test is clearly satisfied. Counter-claimants and Counter-Defendant agree that since at least 1997 and at all times since then, Counter-claimant Falwell has held a common law trademark in the words "Falwell" and "Jerry Falwell." They agree that both Counter-Claimants

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2. While Defendants assert a claim under *15 U.S.C. 1126* for a violation of federal unfair competition law, no such cause of action exists. False Designation of Origin is commonly referred to as unfair competition law and so this Court has construed any claim by the Plaintiffs for violation of federal unfair competition law as a claim for violation of *15 U.S.C. 1125*. State unfair competition law is addressed below.

have held a common law trademark in "Falwell.com" since 1998.[3]

As for the second element, a plain reading of *15 U.S.C. § 1125(a)(1)* provides that in order to prove a claim under Count II for False Designation of Origin., a counter-claimant need only show that a counter-defendant used "any word, term, name, symbol, or device." *15 U.S.C. 1125(a)(1) (2004). Ipso facto*, the Counter-Defendant used a "a word, term, [or] name." *See e.g. Eurotech, Inc.* at 619; *Cable News Network L.P.* at 517. This is not in dispute.

Counter-claimants have satisfied the third and the fourth elements for the reasons they satisfied them in Count I above. Counter-Claimants have also proven a likelihood of confusion as to the Common-Law Marks. The likelihood of confusion, discussed above regarding Count I, is applicable to the Common-Law Marks. Counter-Defendants do not contest that the Jerry Falwell name is well known and famous throughout the country. Both parties agree that the Jerry Falwell and Falwell marks are distinctive. It follows then that the Falwell.com mark is also distinctive. In fact, the degree of similarity between the Common-Law Marks and the website used by the Counter-Defendants is overwhelming. There is only a single letter differentiating the words and they are phonetically identical. For these reasons, Counter-Claimants are entitled to summary judgment as to the Common-Law Marks.

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3. These three marks together consist of the common-law trademarks at issue in the case (the "Common-Law Trademarks").

Appendix B

Additionally, in the Fourth Circuit, "[t]he test for trademark infringement and unfair competition under the Lanham Act is essentially the same as for common law unfair competition under Virginia law. . . ." *Food Fair Stores, Inc. v. Lakeland Grocery Corp., 301 F.2d 156, 160 (4th Cir.1962).* As Counter-Claimants are entitled to summary judgment on their claims for Federal Trademark Infringement and Unfair Competition/False Designation of Origin pursuant to *15 U.S.C. 1125(a)* and *1114*, they are also entitled to summary judgment on any state law unfair competition claims.

In order to prevail on a claim for Cybersquatting, a counter-claimant must first show that a counter-defendant 1) registered, trafficked in, or used a domain name; 2) that is identical or confusingly similar to a distinctive mark; or 3) is identical, confusingly similar to, or dilutive of a famous mark. *15 U.S.C. § 1125(d)(1)(A)(ii) (2004).* Counter-claimants have shown this above. Second, a counter-claimant must prove that a counter-defendant has a bad faith intent to profit from using the domain name at issue. *Id.*

In determining whether a person has a bad faith intent . . . a court may consider factors such as, but not limited to- (I) the trademark or other intellectual property rights of the person, if any, in the domain name; (II) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person; (III) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services; (IV) the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name; (V) the person's intent to divert consumers from the mark

owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site; (VI) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services, or the person's prior conduct indicating a pattern of such conduct; (VII) the person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct; (VIII) the person's registration or acquisition of multiple domain names . . . ; and (IX) the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous. . . .

15 U.S.C. 1125(d)(1)(B) (2004). The statute also establishes a safe harbor providing that "[b]ad faith intent . . . shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful." *Id.*

There is no evidence that the Counter-Defendant offered to sell the disputed website for any financial gain and the Defendant has not acquired multiple domain names for such a purpose. Nevertheless, the Counter-Defendant did not possess any intellectual property rights in the name Fallwell

or Fallwell.com when he registered the domain name. His legal name is not the same as the domain name at issue. He had not engaged in use of the domain name in connection with the bona fide offering of any goods or services prior to the actual registration of the domain name Fallwell.com. His website was commercial; he used www.fallwell.com to sell a book via a hyperlink to amazon.com. He did not make fair use of the mark. He intended to divert consumers from the Counter-Claimants' website to www.fallwell.com so that he could harm the goodwill with the direct intent to tarnish or disparage the Counter-Claimants' marks. In fact, it appears that this is the only goal of the Counter-Defendant's website. Furthermore, he improperly registered an unknown entity known as "Lamparello International" when he first registered the domain name. Defendant's activities clearly evidence a bad faith intent. It is clear that he specifically intended to divert individuals from the Counter-Claimants' own websites in an effort to provide those diverted individuals with commentary and criticism of Counter-Claimants' beliefs and actions. For such reasons, it is clear that the Counter-Defendant did have a bad faith intent to profit. It is also clear that he did not believe, and did not have a reasonable reason to believe, that the use of www.fallwell.com was a fair use or otherwise lawful. For these reasons, summary judgment should be granted in favor of the Counter-Claimant.

Furthermore, Counter-Claimant's claims are not barred by the applicable statute of limitations. As the Lanham Act provides no express statute of limitations it is appropriate for the Court to use the analogous state limitations period. *Reed v. United Trnsp. Union, 488 U.S. 319, 323-24, 109 S.Ct. 621, 102 L.Ed.2d 665 (1989).* Under Virginia law the statute

of limitations for injuries to property is five years. *See* Va. Stat. Ann. *§ 8.01-243 (2004)*. Because trademark rights have the characteristics of property it would appear that infringement claims brought pursuant to the Lanham Act constitute injuries to property and the five year statute of limitations applies. Counter-Defendant registered www.fallwell.com on February 11, 1999. Counter-Claimant's counterclaim was filed on February 5, 2004, prior to the running of the applicable statute of limitations. Since this action was timely filed Counter-Defendant's Laches arguments are without merit.

Counter-Claimants request the entry of a permanent injunction requiring transfer of the domain name and destruction of all materials containing the Fallwell.com mark, statutory damages in the amount of $100,000 pursuant to *15 U.S.C. 1117(d)*, and attorney's fees pursuant to *15 U.S.C. 1117(a)* along with costs and prejudgment interest.

While Counter-Claimant is entitled to a permanent injunction enjoining use of the Fallwell.com website and transfer of the domain name to Counter-Claimants, Counter-Claimant is not entitled to statutory damages. Financial profit was a minor motive in the use of the website at issue. The primary motive was to put forth opinions on issues that were contrary to those of the Counter-Claimant. While the web site was used to put forth Counter-Defendant's opinions and ideas by using Counter-Claimants mark, the primary motive was not to take away monies or to profit. As such there should be no award of damages or attorney fees.

An appropriate order shall issue.

Appendix B

ORDER

For reasons stated in the accompanying Memorandum Opinion, it is hereby

ORDERED that the Plaintiff's motion for summary judgement is DENIED, Defendants and Counter-Claimant's motion for summary judgement is GRANTED and the Plaintiff is hereby

ORDERED to cease any further use of the Defendants' and Counter-Claimant's trademarks and to forthwith convey and transfer to the Defendants and Counter-Claimant the Fallwell.com website.

APPENDIX C — DECISION OF THE ARBITRATION PANEL DATED NOVEMBER 20, 2003

DECISION

The Reverend Dr. Jerry L. Falwell and The Liberty Alliance v. Lamparello International

Claim Number: FA0310000198936

PARTIES

Complainant is **The Reverend Dr. Jerry L. Falwell and The Liberty Alliance**, Lynchburg, VA ("Complainant") represented by **John H. Midlen, Jr.** of **Midlen Law Center**, 7618 Lynn Drive, Chevy Chase, MD 20815-6043. Respondent is **Lamparello International**, New York, NY ("Respondent") represented by **Paul Alan Levy**, of **Public Citizen Litigation Group**, 1600 20th Street, N.W., Washington, D.C. 20009.

REGISTRAR AND DISPUTED DOMAIN NAME

The domain name at issue is <fallwell.com>, registered with **Network Solutions, Inc.**

PANEL

The undersigned certifies that he or she has acted independently and impartially and to the best of his or her knowledge has no known conflict in serving as Panelists in this proceeding.

Honorable Tyrus R. Atkinson, Jr., David E. Sorkin, and Estella S. Gold, Chair as Panelists.

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PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum (the "Forum") electronically on October 1, 2003; the Forum received a hard copy of the Complaint on October 1, 2003.

On October 6, 2003, Network Solutions, Inc. confirmed by e-mail to the Forum that the domain name **<fallwell.com>** is registered with Network Solutions, Inc. and that the Respondent is the current registrant of the name. Network Solutions, Inc. has verified that Respondent is bound by the Network Solutions, Inc. registration agreement and has thereby agreed to resolve domain-name disputes brought by third parties in accordance with ICANN's Uniform Domain Name Dispute Resolution Policy (the "Policy").

On October 7, 2003, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of October 27, 2003 by which Respondent could file a Response to the Complaint, was transmitted to Respondent via e-mail, post and fax, to all entities and persons listed on Respondent's registration as technical, administrative and billing contacts, and to postmaster@fallwell.com by e-mail.

A timely Response was received on October 27, 2003. However, Respondent failed to provide a signature with the Response as is required pursuant to Rule 3(b)(viii).

A timely Supplemental Response to Complaint from Respondent was received on November 10, 2003, in accordance with Supplemental Rule No. 7.

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All of the above-listed Complainants, Respondents and Supplements have been considered by the Panelists.

On November 6, 2003, pursuant to Complainant's request to have the dispute decided by a three-member Panel, the Forum appointed Honorable Tyrus R. Atkinson, Jr., David E. Sorkin, and Estella S. Gold, Chair as Panelists.

RELIEF SOUGHT

Complainant requests that the domain name be transferred from Respondent to Complainant.

PARTIES' CONTENTIONS

A. Complainant

Complainant alleges that it has legal rights in the name FALWELL as follows:

a. Complainant has a registered trademark in the name "Listen America with Jerry Falwell", USPTO Reg. 2382656 which incorporates the last name of the Complainant, Falwell;

b. Complainant has a pending mark "Jerry Falwell", USPTO Serial No. 78,202,927 which incorporates the last name of the Complainant, Falwell;

c. Complainant published a book entitled "Falwell" in 1997, which Complainant alleges was commercially marketed under the same name as the title;

d. Complainant commercially markets goods and services on the Web at <store.falwell.com>, as well as marketing trips to Israel and other subject matter under this personal name, Jerry Falwell.

e. Complainant alleges secondary meaning in the name FALWELL by reciting search engine results for his own domain name <falwell.com>;

f. Complainant alleges that the domain name registered by the Respondent, <fallwell.com> is confusingly similar to Complainant's unregistered use of his last name and portions of the registered and pending mark recited above;

g. Complainant alleges that Respondent has no right or legitimate interests in the domain name which is phonetically identical to Complainant's domain name as well as his personal last name, and that the use of this domain name misdirects internet traffic to the Respondent by creating confusion with Complainant's marks; and

h. Complainant alleges that **<fallwell.com>** is being used in bad faith because Respondent should have been aware of Complainant's trademarks and Respondent established its website out of anger with Complainant.

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B. Respondent

Respondent alleges that Complainant's UDRP Complaint is without merit because Complainant is using the UDRP to silence constitutionally protected communications.

a. Respondent alleges that Complainant has not used his last name as a trademark because Complainant does not use his name as a commercial source;

b. Respondent alleges that its use of the name "fallwell" is a legitimate, non-commercial or fair use of a domain name without intent for commercial gain and denies an intent to misleadingly divert consumers, or to tarnish the trademark or service mark at issue";

c. Respondent alleges that its use of the name "fallwell" is nominative fair use in that Respondent alleges that it has a legitimate interest in using a domain name that identifies the subject of his criticism;

d. Respondent alleges that the website **<fallwell.com>** contains a disclaimer which resolves any initial interest confusion, and in addition, provides a link to Complainant's website to avoid consumer confusion;

e. Respondent alleges that the book entitled "Falwell" is no longer in print, and therefore, is not commercially active: and

f. Respondent alleges that the domain name is not a typosquat, but a parody on the words "fall" and "well".

FINDINGS

Preliminary Procedural Matters

The Panelists unanimously find on preliminary matters as follows:

1. That although the Response did not include a signature, as required under Rule 5(b)(viii), the Panel rules that the Response is admissible despite formal deficiencies because to find otherwise would be inconsistent with basic principles of due process. *See Strum v. Nordic Net Exch. AB*, FA 102843 (Nat. Arb. Forum Feb. 21, 2002).

2. That Respondent's contentions of forum shopping and the case being time barred are without merit under the Policy.

3. That Complainant's supplemental pleadings should be accepted and were reviewed.

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While most facts in this matter are undisputed, the majority on the Panel finds the following on the disputed facts:

1. Complainant has made commercial use of his last name "Falwell" as an unregistered mark in the marketing of the book "Falwell: An Autobiography" at least as early as 1997, as well as more recently, in the use of a commercial website.

2. The name "fallwell" is phonetically identical to Complainant's last name, which Complainant has used as a trademark in the marketing of copyrighted material.

3. It is undisputed that Complainant has achieved the highest level access on commonly used search engines on the Web, and the majority of the Panel finds that such search engine access amounts to secondary meaning as defined by the Lanham Act.

4. Although Respondent alleges that "fallwell" represents the joining of the word "fall" and the word "well", Respondent's acknowledgement through the use of its disclaimer of the likelihood of misdirected Internet traffic, leads the majority of the Panel to conclude that use of the domain name **<fallwell.com>** will result in initial interest confusion

5. Based upon the presentation of evidence from <web.archive.org>, the Panel finds that Respondent did not begin to use the website associated with **<fallwell.com>** until 1999, some two years after Complainant initiated commercial use of his last name as a trademark.

DISCUSSION

Paragraph 15(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules") instructs this Panel to "decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable."

Paragraph 4(a) of the Policy requires that the Complainant must prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

1. the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;

2. the Respondent has no rights or legitimate interests in respect of the domain name; and

3. the domain name has been registered and is being used in bad faith.

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Identical and/or Confusingly Similar

The Panel finds a strong similarity to Complainant's position in the case of Planned Parenthood Assn. of Am., Inc. v. Bucci, 42 U.S.P.Q.2d 1430 (S.D.N.Y. 1997), aff'd without op., 152 F.3d 920 (2d Cir. 1998). The Court found in Planned Parenthood that when a domain name is used on a website that promotes or preaches social, religious, or political beliefs, the Lanham Act would not be triggered unless there is some provision of services or commercial aspect to the website. The 1997 Planned Parenthood case was the first time that a court directly faced the issue of finding a commercial use when an otherwise infringing domain name is used on a political or religious website. Defendant in that matter was a religious talk show host who vigorously espoused the right-to-life position. Defendant admitted in that case that his purpose was to intercept potential viewers of plaintiff's website and expose them to the right-to-life message of the book featured at the site. On appeal, the Second Circuit noted that while the prohibitions of the Lanham Act §43(a) are limited to "commercial" activities, the prohibition of §32(1)(a) on infringements of registered marks has no such "commercial activity" requirement. See United We Stand Am., Inc. v. United We Stand Am., N.Y., Inc., 128 F.3d 86, 44 U.S.P.Q.2d 1351(2d Cir. 1997); see also Jews for Jesus v. Brodsky, 993 F.Supp. 282, 46 U.S.P.Q.2d 1652(D.N.J. 1998), aff'd without op. 159 F.3d 1351 (3d Cir. 1998) (where the court held that the defendant intended to intercept, through the use of deceit and trickery, the audience sought by the plaintiff organization).

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Respondent, understanding that users of the Internet were likely to be deceived into believing that **<fallwell.com>** was associated with Complainant or who misspelled Complainant's name, posted a disclaimer to redirect Internet traffic intended for the Complainant. In People for Ethical Treatment of Animals, Inc. v. Doughney, 113 F.Supp.2d 915 (E.D. Va. 2000) Judgment aff'd 263 F.3d 359, 60 U.S.P.Q.2d 1009, 1112 (4th Cir. 2001), the district court found that the challenged domain name was likely to prevent Internet users from reaching PETA's own website because if they mistakenly access defendant's website, they may "fail to continue to search for [PETA's] own home page due to anger, frustration, or the belief that [PETA's] homepage does not exist." Furthermore, Respondent acknowledges his motivation in his anti-Falwell message, expressing anger in response to the content of Complainant's site.

Complainant asserts that it has established rights in the JERRY FALWELL mark by filing an application with the U.S. Patent and Trademark Office ("USPTO") on January 13, 2003 (Ser. No. 78202927). *See* SeekAmerica Networks Inc. v. Masood, D2000-0131 (WIPO Apr. 13, 2000) (finding that the Rules do not require that Complainant's trademark or service mark be registered by a government authority or agency for such rights to exist. Rights in the mark can be established by pending trademark applications).

Complainant contends that it has established rights in the LISTEN AMERICA WITH JERRY FALWELL mark through its registration with the USPTO on September 5, 2000 (Reg. No. 2382656). Complainant further alleges that it has established common law rights in the mark by using

the mark in commerce since April 13, 1998. *See Men's Wearhouse, Inc. v. Wick*, FA 117861 (Nat. Arb. Forum Sept. 16, 2002) ("Under U.S. trademark law, registered marks hold a presumption that they are inherently distinctive and have acquired secondary meaning"); *see also* Roberts v. Boyd, D2000-0210 (WIPO May 29, 2000) (finding that trademark registration was not necessary and that the name "Julia Roberts" has sufficient secondary association with Complainant that common law trademark rights exist); *see also Jagger v. Hammerton*, FA 95261 (Nat. Arb. Forum Sept. 11, 2000) (Complainant held common law trademark rights in his famous name MICK JAGGER).

Complainant argues that it has established common law rights in the JERRY FALWELL and FALWELL marks because Complainant published a book for sale in 1997 called "Falwell, An Autobiography." Complainant has provided articles from newspapers to prove that Complainat is refered to as FALWELL. *See Tuxedos By Rose v. Nunez*, FA 95248 (Nat. Arb. Forum Aug. 17, 2000) (finding common law rights in a mark where its use was continuous and ongoing, and secondary meaning was established); *see also BroadcastAmerica.com, Inc. v. Quo*, DTV2000-0001 (WIPO Oct. 4, 2000) (finding that Complainant has common law rights in BROADCASTAMERICA.COM, given extensive use of that mark to identify Complainant as the source of broadcast services over the Internet, and evidence that there is wide recognition with the BROADCASTAMERICA.COM mark among Internet users as to the source of broadcast services).

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Furthermore, Complainant asserts that the <fallwell.com> domain name is confusingly similar to each of the marks discussed above because the domain name merely mispells the FALWELL mark by adding the letter "l" to the mark, which is a common typographical error committed by Internet users who attempt to access Complainant's <falwell.com> website. *See* Victoria's Secret v. Zuccarini, FA 95762 (Nat. Arb. Forum Nov. 18, 2000) (finding that, by misspelling words and adding letters to words, a Respondent does not create a distinct mark but nevertheless renders the domain name confusingly similar to Complainant's marks); *see also* Hewlett-Packard Co. v. Zuccarini, FA 94454 (Nat. Arb. Forum May 30, 2000) (finding the domain name <hewlitpackard.com> to be identical or confusingly similar to Complainant's HEWLETT-PACKARD mark).

Also, Complainant claims that the <fallwell.com> domain name is confusingly similar to Complainant's mark because the domain name is phonetically identical to the FALWELL mark. *See* Hewlett-Packard Co. v. Cupcake City, FA 93562 (Nat. Arb. Forum Apr. 7, 2000) (finding that a domain name which is phonetically identical to Complainant's mark satisfies ¶ 4(a)(i) of the Policy); *see also* YAHOO!, Inc. v. Murray, D2000-1013 (WIPO Nov. 17, 2000) (finding that the domain name <yawho.com> is confusingly similar to Complainant's YAHOO mark).

Lastly, Complainant asserts that Respondent's disclaimer on its website is insufficient to prevent Internet user confusion because it causes "intitial interest confusion," and therefore cannot circumvent the Panel from finding the

domain name confusingly similar to Complainant's mark. *See* AltaVista Co. v. AltaVista, FA 95480 (Nat. Arb. Forum Oct. 31, 2000) (finding that since a disclaimer does not, and could not, accompany the domain name, then the "domain name attracts the consumer's initial interest and the consumer is misdirected long before he/she has the opportunity to see the disclaimer"); see also *DaimlerChrysler Corp. v. Bargman*, D2000-0222 (WIPO May 29, 2000) (finding that addition of a disclaimer, when the domain name consists of Complainant's well-known trademark, does not counter the expectation of Internet users that the domain name is sponsored by Complainant).

Rights or Legitimate Interests

Complainant asserts that Respondent is not commonly known by the <fallwell.com> domain name or the FALLWELL mark, and therefore lacks rights and legitimate interests in the domain name pursuant to Policy ¶ 4(c)(ii). See Compagnie de Saint Gobain v. Com-Union Corp., D2000-0020 (WIPO Mar. 14, 2000) (finding no rights or legitimate interest where Respondent was not commonly known by the mark and never applied for a license or permission from Complainant to use the trademarked name); *see also* Broadcom Corp. v. Intellifone Corp., FA 96356 (Nat. Arb. Forum Feb. 5, 2001) (finding no rights or legitimate interests because Respondent is not commonly known by the disputed domain name or using the domain name in connection with a legitimate or fair use).

Also, Complainant asserts that Respondent's domain name is misleading and is being used for commercial gain.

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The Panel determines that the <fallwell.com> domain name is misleading and is being used to defeat Complainant's commercial benefit, in its mark. The Panel concludes that Respondent lacks rights or legitimate interests in the domain name because such use does not constitute a bona fide offering of goods or services pursuant to Policy ¶ 4(c)(i).

In addition, Complainant contends that Respondent's free speech conducted under Complainant's protected mark does not create rights or legitimate interests with respect to the domain name. Complainant argues that Respondent's use of the <fallwell.com> domain name does not constitute a legitimate noncommercial or fair use pursuant to Policy ¶ 4(c)(iii). See Weekley Homes, L.P. v. Fix My House Or Else?, FA 96609 (Nat. Arb. Forum Apr. 18, 2001) (finding that establishment of a website containing criticism is not a legitimate use of the <davidweekleyhome.com> domain name because the disputed domain name is confusingly similar to Complainant's DAVID WEEKLEY HOMES mark); *see also Compagnie Generale des Matieres Nucleaires v. Greenpeace Int'l*, D2001-0376 (WIPO May 14, 2001) (holding that Respondent's showing that it "has a right to free speech and a legitimate interest in criticizing the activities of organizations like the Complainant . . . is a very different thing from having a right or legitimate interest in respect of [a domain name that is virtually identical to Complainant's mark]").

Registration and Use in Bad Faith

Complainant asserts that Respondent's admission that it registered the <fallwell.com> domain name out of anger

toward Complainant is evidence of bad faith. The Panel may find that the admission is evidence that Respondent knowingly registered the domain name with the intent to infringe on Complainant's mark, and therefore registered the domain name in bad faith. *See* Samsonite Corp. v. Colony Holding, FA 94313 (Nat. Arb. Forum Apr. 17, 2000) (finding that evidence of bad faith includes actual or constructive knowledge of a commonly known mark at the time of registration); *see also* Ty Inc. v. Parvin, D2000-0688 (WIPO Nov. 9, 2000) (finding that Respondent's registration and use of an identical and/or confusingly similar domain name was in bad faith where Complainant's BEANIE BABIES mark was famous and Respondent should have been aware of it); *see also McClatchy Mgmt. Servs., Inc. v. Please DON'T Kill Your Baby*, FA 153541 (Nat. Arb. Forum May 28, 2003) (By intentionally taking advantage of the goodwill surrounding Complainant's mark to further its own political agenda, Respondent registered the disputed domain names in bad faith").

In addition, Complainant asserts that Respondent is using the <fallwell.com> domain name in bad faith pursuant to Policy ¶ 4(b)(iii) because the domain name competes with Complainant's <falwell.com> website for Internet traffic. *See* Mission KwaSizabantu v. Rost, D2000-0279 (WIPO June 7, 2000) (defining "competitor" as "one who acts in opposition to another and the context does not imply or demand any restricted meaning such as commercial or business competitor"); *see also Compagnie Generale des Matieres Nucleaires v. Greenpeace Int'l*, D2001-0376 (WIPO May 14, 2001) (stating that although Respondent's complaint website did not compete with Complainant or earn commercial gain,

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Respondent's appropriation of Complainant's trademark with a view to cause "damage and disruption to [Complainant] cannot be right, still less where the use of the Domain Name will trick internet users intending to visit the trademark owner's site into visiting the registrant's site" in holding that the disputed domain name was registered in bad faith).

The majority of the Panel finds that Respondent has engaged in typosquatting by registering and using the <fallwell.com> domain name to redirect Internet users to Respondent's website by taking advantage of Internet users who commit common typographical errors when they attempt to access Complainant's <falwell.com> website. Typosquatting is evidence of bad faith registration and use pursuant to Policy ¶ 4(a)(iii). *See Nat'l Ass'n of Prof'l Baseball Leagues, Inc. v. Zuccarini*, D2002-1011 (WIPO Jan. 21, 2003) ("Typosquatting ... is the intentional misspelling of words with intent to intercept and siphon off traffic from its intended destination, by preying on Internauts who make common typing errors. Typosquatting is inherently parasitic and of itself evidence of bad faith"); *see also Black & Decker Corp. v. Khan*, FA 137223 (Nat. Arb. Forum Feb. 3, 2003) (finding the <wwwdewalt.com> domain name was registered to "ensnare those individuals who forget to type the period after the "www" portion of [a] web-address." evidence that the domain name was registered and used in bad faith).

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DECISION

Having established all three elements required under the ICANN Policy, the Panel concludes that relief shall be **GRANTED**.

Accordingly, it is Ordered that the **<fallwell.com>** domain name be **TRANSFERRED** from Respondent to Complainant.

Estella S. Gold, Panelist
Signing for the Majority
Honorable Tyrus R. Atkinson, Jr., Panelist

Dated: November 20, 2003

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DISSENTING OPINION

I respectfully dissent.

Respondent selected the disputed domain name because of its similarity to the name of a controversial public figure whom Respondent intended to criticize, and is using it for that purpose. The fact that Complainants have some trademark rights in various forms of Dr. Falwell's name is merely incidental. Respondent is using a variant of Dr. Falwell's name in a nominative sense in order to identify him as the focus of a noncommercial web site; Respondent is neither trading on Dr. Falwell's fame nor exploiting the value of his name, as a trademark or otherwise. Respondent's registration and use of the disputed domain name, therefore, cannot be said to be in bad faith.

Furthermore, in my view Complainants have also failed to meet their burden of proof on the question of rights or legitimate interests. At best Complainants have a legitimate dispute with Respondent regarding its right to use a variant of Dr. Falwell's name as a domain name for purposes of criticism—but much more likely, Complainants have no actionable claim whatsoever against Respondent. In either case, this is not an appropriate matter for resolution under the UDRP, which was designed to handle only a "relatively narrow class of cases of 'abusive registrations.'" Second Staff Report on Implementation Documents for the Uniform Dispute Resolution Policy (Oct. 24, 1999), <http://www.icann.org/udrp/udrp-second-staff-report-24oct99.htm>, ¶ 4.1(c).

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> [T]he fact that the policy's administrative dispute-resolution procedure does not extend to cases where a registered domain name is subject to a legitimate dispute (and may ultimately be found to violate the challenger's trademark) is a feature of the policy, not a flaw. The policy relegates all "legitimate" disputes—such as those where both disputants had longstanding trademark rights in the name when it was registered as a domain name—to the courts; only cases of abusive registrations are intended to be subject to the streamlined administrative dispute-resolution procedure.

Id.

I would dismiss the Complaint.

David E. Sorkin, Panelist

November 20, 2003

APPENDIX D — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT DENYING PETITION FOR REHEARING FILED NOVEMBER 8, 2005

UNITED STATES COURT OF APPEALS
FOR THE FOURTH CIRCUIT

FILED November 8, 2005

No. 04-2011
CA-03-1503-A

CHRISTOPHER LAMPARELLO

Plaintiff - Appellant

v.

JERRY FALWELL; JERRY FALWELL MINISTRIES

Defendants - Appellees

No. 04-2122
CA-03-1503-A

AMERICAN CIVIL LIBERTIES UNION; ACLU FOUNDATION OF VIRGINIA; INTELLECTUAL PROPERTY LAW FACULTY

Amici Supporting Appellant

Appendix D

CHRISTOPHER LAMPARELLO

Plaintiff - Appellee

v.

JERRY FALWELL; JERRY FALWELL MINISTRIES

Defendants - Appellants

AMERICAN CIVIL LIBERTIES UNION; ACLU FOUNDATION OF VIRGINIA; INTELLECTUAL PROPERTY LAW FACULTY

Amici Supporting Appellee

On Petition for Rehearing and Rehearing En Banc

The appellees' petition for rehearing and rehearing en banc was submitted to this Court. On 9/19/05, the Court requested a response to the petition. A response was filed by the appellant on 9/29/05. As no member of this Court or the panel requested a poll on the petition for rehearing en banc, and

As the panel considered the petition for rehearing and is of the opinion that it should be denied,

IT IS ORDERED that the petition for rehearing and rehearing en banc is denied.

Appendix D

Entered for a panel composed of Judge Michael, Judge Motz, and Judge King.

For the Court,

/s/ Patricia S. Connor
CLERK

APPENDIX E — RELEVANT STATUTES

15 U.S.C. § 1114

§ 1114. Remedies; infringement; innocent infringement by printers and publishers

(1) Any person who shall, without the consent of the registrant—

(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

(b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive, shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

* * *

Appendix E

15 U.S.C. § 1125

§ 1125. False designations of origin, false descriptions, and dilution forbidden

(a) Civil action

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

* * *

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(b) Importation

Any goods marked or labeled in contravention of the provisions of this section shall not be imported into the United States or admitted to entry at any customhouse of the United States. The owner, importer, or consignee of goods refused entry at any customhouse under this section may have any recourse by protest or appeal that is given under the customs revenue laws or may have the remedy given by this chapter in cases involving goods refused entry or seized.

(c) Remedies for dilution of famous marks

(1) The owner of a famous mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction against another person's commercial use in commerce of a mark or trade name, if such use begins after the mark has become famous and causes dilution of the distinctive quality of the mark, and to obtain such other relief as is provided in this subsection. In determining whether a mark is distinctive and famous, a court may consider factors such as, but not limited to—

* * *

(4) The following shall not be actionable under this section:

(A) Fair use of a famous mark by another person in comparative commercial advertising or promotion to identify the competing goods or services of the owner of the famous mark.

Appendix E

(B) Noncommercial use of a mark.

(C) All forms of news reporting and news commentary.

(d) Cyberpiracy prevention

(1)(A) A person shall be liable in a civil action by the owner of a mark, including a personal name which is protected as a mark under this section, if, without regard to the goods or services of the parties, that person

(i) has a bad faith intent to profit from that mark, including a personal name which is protected as a mark under this section; and

(ii) registers, traffics in, or uses a domain name that—

(I) in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark;

(II) in the case of a famous mark that is famous at the time of registration of the domain name, is identical or confusingly similar to or dilutive of that mark; or

(III) is a trademark, word, or name protected by reason of section 706 of Title 18 or section 220506 of Title 36.

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(B)(i) In determining whether a person has a bad faith intent described under subparagraph (a), a court may consider factors such as, but not limited to

(I) the trademark or other intellectual property rights of the person, if any, in the domain name;

(II) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;

(III) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;

(IV) the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name;

(V) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;

(VI) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services, or the person's prior conduct indicating a pattern of such conduct;

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(VII) the person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct;

(VIII) the person's registration or acquisition of multiple domain names which the person knows are identical or confusingly similar to marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of the parties; and

(IX) the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous within the meaning of subsection (c)(1) of this section.

(ii) Bad faith intent described under subparagraph (A) shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful.

* * *

(3)

FILED
MAR 8 - 2006
OFFICE OF THE CLERK
SUPREME COURT, U.S.

No. 05-980

IN THE
Supreme Court of the United States

JERRY FALWELL and JERRY FALWELL MINISTRIES,
Petitioners,

v.

CHRISTOPHER LAMPARELLO,
Respondent.

On Petition for a Writ of Certiorari
to the United States Court of Appeals
for the Fourth Circuit

BRIEF IN OPPOSITION

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March 8, 2006

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STATUTES

Lanham Act. 15 U.S.C. §§ 1051 *et seq.*

Section 32, 15 U.S.C. § 1114 3
Section 43(a), 15 U.S.C. §1145(a) 3

Section 43(d)(1)(A)(i), 15 U.S.C. § 1145(d)(1)(A)(i) .. 10
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Anticybersquatting Consumer Protection Act,
15 U.S.C. § 1145(d) 3

MISCELLANEOUS

Glazer & Dhamija, *Revisiting Initial Interest Confusion on the Internet*,
95 Trademark Reporter 952 (2005) 9

Goldman, *Deregulating Relevancy in Internet Trademark Law*,
54 Emory L.J. 507 (2005) 9

Maynard, *The Initial Interest Confusion Doctrine and Trademark Infringement on the Internet*,
57 Wash. & Lee L. Rev. 1303 (2000) 9

Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*,
27 Cardozo L. Rev. 105 (2005) 9

Petitioners seek the Court's review of two questions that they argue encompass three separate legal issues on which, according to the petition, the lower courts are sorely divided. The first question presented, concerning the application of the doctrine of "initial interest confusion" to purely non-commercial commentary on a trademark holder, is divided for discussion into two sub-issues because there is, in fact, no division in the circuits on the question itself, while the court of appeals expressly declined to address each of the subissues on which petitioner argues the lower courts are divided. As this opposition shows, there is **no** disagreement among the circuits on any of the questions presented. Moreover, none of the questions are actually presented in this case, because the Petition severely mischaracterizes the Fourth Circuit's decision. Finally, the Petition's question presented about the anticybersquatting laws was not preserved for review because it was not presented to the court below. The petition should therefore be denied.

STATEMENT[1]

Respondent Christopher Lamparello was offended by statements that petitioner Jerry Falwell made about gay people, and believed that Falwell's statements cause needless anguish to gay people and their families. He decided to create a web site about Falwell's views on this subject. Lamparello wanted a domain name that described the subject of his web site,

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[1]The facts in this case were undisputed. Respondent's statement is drawn from a stipulation of facts submitted by the parties, respondent's "Statement of Undisputed Facts," which was undisputed below, and a review of the web site itself which is on a CD in the record.

Falwell. By February 1999, when Lamparello initiated this project, the domain name falwell.com was being used by Falwell. Fallwell.com remained available, and Lamparello selected that name both because it was the closest available to the subject of his site, and because it provided a mild parody, suggesting that Falwell should "fall well." Lamparello has never registered a domain name for the purpose of selling it, has never sold or tried to sell a domain name, and never, other than fallwell.com, knowingly registered a domain name that contains or is similar to a trademark.

Lamparello's web site is addressed solely to disputing Falwell's views about homosexuality, to discussing how the Bible should be understood on that subject, and to describing the hurtful effects of anti-gay crusading on gay people and their families. The web site makes apparent, from the very top of its homepage, that it is critical of Falwell and not sponsored by him. The first words on the homepage disclaim affiliation with Falwell, explain how to reach Falwell's own web site, and provide a hyperlink to that web site. A prominent headline in red states, "The Reverend Jerry Falwell is completely wrong when he says that gay and lesbian people are sinning and can change. Please take a moment to read why . . .."

The web site is completely noncommercial. It is unrelated to any of Falwell's business or commercial activities, and it does not sell goods or services. Lamparello never derived any financial benefit from his web site. In addition, neither Lamparello's web site nor his domain name had any effect on the amount of business that Falwell did through his web site, falwell.com. Indeed, the parties stipulated that "Lamparello's domain name and web site at www.fallwell.com had no measurable impact on the quantity of visits to defendants' web site at www.falwell.com."

After Falwell won an administrative proceeding under the Uniform Dispute Resolution Proceeding ("UDRP") that is subject to de novo review in the courts, Lamparello filed a declaratory judgment proceeding in the United States District Court for the Eastern District of Virginia, claiming that his domain name neither infringed Falwell's trademark under sections 32 and 43(a) of the Lanham Act, 15 U.S.C. §§ 1114 and 1145(a), nor constituted "cybersquatting" under the Anticybersquatting Consumer Protection Act, 15 U.S.C. § 1145(d). Falwell counterclaimed, joined by petitioner Jerry Falwell Ministries (for convenience, this petition refers to both petitioners jointly as "Falwell"). The parties exchanged discovery, filed stipulations of fact, and cross-moved for summary judgment, agreeing that there were no genuine issues of material fact. The district court granted Falwell's motion for summary judgment. Pet. App. 27a, 360 F. Supp.2d 768. The district court recited several factors governing Falwell's claims of likelihood of confusion and cybersquatting, mechanically found that those factors favored Falwell, and ordered Lamparello to relinquish the domain name. The court stayed its decision pending appeal.

On appeal, Lamparello argued that the First Amendment constrains the trademark laws to apply only to commercial uses, and that several provisions of the Lanham Act reflect this limitation. Lamparello also argued that his domain name accurately depicts the subject of his web site, that one proper function of a domain name is to denominate the subject of the site, and that, so long as a web site is not confusing about its sponsorship and the domain name is not registered for financial gain, use of a trademark to denominate accurately the subject of a web site constitutes neither infringement nor cybersquatting. Falwell defended the district court's infringement decision, but ignored the part of the decision that pertained to the ACPA.

Only in his cross-appeal from the denial of his demand for attorney fees and one million dollars in damages did Falwell even mention the ACPA as a ground for awarding statutory damages.

The court of appeals unanimously reversed. It began by expressing skepticism about Lamparello's argument that sections 32 and 43(a) of the Lanham Act apply only to commercial uses of trademarks, Pet. App. 7a-9a, but decided that it was unnecessary to decide that question, because there was plainly no likelihood of confusion. *Id.* 9a. The court discussed the multiple factors governing the issue of likelihood of confusion, found that they did not favor Falwell, and noted as well that nobody visiting Lamparello's web site could possibly be confused about whether it was sponsored by Falwell or by someone who disapproves of Falwell's views. *Id.* 10-12a. The court then turned to Falwell's contention that he was entitled to prevail under the doctrine of initial interest confusion, which the court described as "forbid[ding] a competitor from luring potential customers away from a producer by initally passing off its goods as those of a competitor's, even if confusion as to the course of the goods is dispelled by the time any sales are consummated." *Id.* 12a. The court noted that this doctrine had never been adopted in the Fourth Circuit. *Id.* 13a-14a. However, contrary to petitioner's suggestion, the court did not reject the doctrine of initial interest confusion. Instead, the court decided that is was unnecessary to decide whether to adopt initial interest confusion as a mode of analysis because all of the courts that **had** adopted the doctrine had done so "in cases involving a factor utterly absent here – one business's use of another's mark for its own financial gain. . . . Profiting financially from initial interest confusion is thus a key element for imposition of liability under this theory." *Id.* 15a (citations omitted); *see also id.* 16a

(describing "use of another firm's mark to capture the markholder's customers and profits" as a "critical element" for the application of initial interest confusion).

Turning to the district court's ACPA holding, the court of appeals reversed on the ground that Falwell had not shown that Lamparello registered or used the domain name with a "bad faith intent to profit" as required by the statute. The court began by noting that decisions in ACPA cases should not be based on a wooden recitation or counting of the "bad faith intent to profit" factors, but rather that the factors should be used as a guide to "careful thinking about whether the conduct at issue is motivated by a bad faith intent to profit." *Id.* 21a. The court proceeded to discuss several of the bad faith intent to profit factors, including Factors IV, V, VI, and VIII, finding that each factor favored Lamparello. *Id.* 22a-24a. The court noted, however, that the creation of a "faux noncommercial site" as a ruse to avoid liability for a domain name that was in reality registered for the purpose of shaking down the markholder for a payment would not avoid liability. *Id.* 22a n.7. The court concluded that Lamparello's use of the domain name was consistent with the decisions of several other circuits that had held that the creation of a genuine "gripe site" for the purpose of expressing ideas hostile to the trademark holder does not constitute a "bad faith intent to profit" as that term is used by the ACPA, and is not cybersquatting under that statute. *Id.* 24a-26a.

Falwell petitioned for rehearing and rehearing en banc, and no judge voted to grant rehearing. Pet. App. 60a.

REASONS FOR DENYING THE WRIT

1. The first Question Presented is whether the Lanham Act affords a cause of action for "initial interest confusion" and, if so, whether the Act allows suit over non-commercial as well as commercial infringing uses. To justify review of this question, petitioners divide it into two separate legal issues on which, they contend, there is a split in the circuits. But when the question is posed as a whole, there is **no** division of authority, because none of the many cases petitioners cite held that initial interest confusion is a viable theory when pursued against a strictly non-commercial use. Moreover, this case is not an appropriate vehicle for confronting either of the two individual subquestions – whether initial interest confusion can ever be a viable theory for a Lanham Act infringement suit, and whether infringement claims can ever proceed against a noncommercial use – because the Fourth Circuit expressly declined to address either one of them.

a. The Petition charges the Fourth Circuit with "swimming against the tide" of other circuits' approach to the doctrine of initial interest confusion. Pet. at 7-15. Falwell does not identify any holding of the court below that is at odds with the decisions of these other courts, and the Fourth Circuit's decision is entirely consistent with all of them.

Below, Lamparello did not argue that the doctrine of initial interest confusion could never afford a basis for suit under the Lanham Act, but he did argue that the theory of initial interest confusion should be approached with skepticism. Although the notion that one business should not be able to steal another business's customers by deliberately playing on similarities between its own name and a trademark owner's established marks fits comfortably within trademark law, at the

same time the idea of initial interest confusion is at odds with another fundamental principle – that trademark law does not cater to the careless or inattentive by avoiding merely temporary or possible confusion.[2] Indeed, trademark law recognizes that it is impossible to eliminate all possibility of confusion, and that some confusion must be tolerated when required to serve other values.[3]

Moreover, Lamparello argued that all of the cases in which other courts had applied the doctrine of initial interest confusion could be distinguished because they involved cases where a commercial competitor, selling very similar goods or services, had deliberately misled potential customers with the objective of gaining their sales even after the customers understood that they were not dealing with the owner of the trademark that had originally been used to attract their attention. The Fourth Circuit embraced that reasoning, and expressly refrained from deciding whether initial interest confusion could

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[2] *Therma-Scan v. Thermoscan,* 295 F.3d 623, 636 (6th Cir. 2002); *Duluth News-Tribune v. Mesabi Pub. Co.,* 84 F.3d 1093, 1098-1099 (8th Cir. 1996); *Woodsmith Pub. Co. v. Meredith Corp.*, 904 F.2d 1244, 1246 n3 (8th Cir, 1990); *Scandia Down Corp. v. Euroquilt,* 772 F.2d 1423, 1429 n.1(7th Cir. 1985); *Astra Pharmaceutical Products v. Beckman Instruments,* 718 F.2d 1201, 1207 (1st Cir, 1983).

[3] *August Storck K.G. v. Nabisco*, 59 F.3d 616, 618-619 (7th Cir. 1995) (promotion of comparative advertising); *Thrifty Rent-a-Car Syst. v. Thrift Cars*, 831 F.2d 1177, 1184 (1st Cir. 1987) (allowing pre-existing business to continue). *Accord KP Permanent Make-Up v. Lasting Impression I*, 125 S.Ct. 542, 550-551 (2004) (fair use).

ever be a ground for finding infringement. Every one of the dozens of cases cited in the Petition as supposedly showing that the Fourth Circuit is out of step with other circuits itself involved commercial enterprises that were trying to steal customers and achieve financial gains. Indeed, Falwell does not suggest that he has shown any division among the circuits about the Fourth Circuit's **holding** – instead, he simply contends that the Fourth Circuit's expression of skepticism about initial interest confusion warrants review.

Moreover, the record in this case makes it a poor candidate for consideration of when initial interest confusion can contribute to a finding of Lanham Act infringement, because there was no evidence of actual initial interest confusion. Indeed, no evidence even suggested that Falwell was losing visitors to his web site because of Lamparello's anti-Falwell web site. To the contrary, Falwell stipulated that "Lamparello's domain name and web site . . . had **no measurable impact on the quantity of visits to defendants' web site.**" Moreover, Falwell did not dispute that Lamparello's sole purpose in creating his web site was to put forward non-commercial criticisms of Falwell's ideas. In those circumstances, application of initial interest confusion to hold Lamparello liable because of the mere "likelihood" that members of the public might experience **ephemeral** confusion about the location of Falwell's own web site would pose significant First Amendment concerns about injunctions against non-commercial speech.

Finally, the fact that this case pertains to the use of a trademark in a domain name makes it an especially inappropriate context in which to address the issue of initial interest confusion, because technological and social developments have rendered domain names much less